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USSR Monthly Review

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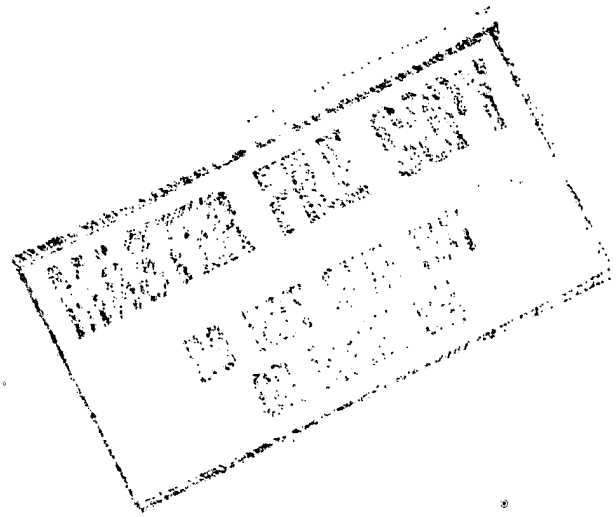
November-December 1984



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USSR Monthly Review

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November-December 1984

The *USSR Monthly Review* is being discontinued. It will be replaced, beginning in February 1985, by the *USSR Review*, which will be produced every two months.

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The *USSR Monthly Review* is published by the Office of Soviet Analysis. Comments and queries regarding the articles are welcome. They may be directed to the authors, whose names are listed in the table of contents

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Other Topics

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The ouster of Yumjaagiyn Tsendenbal has had little immediate impact on Mongolia's foreign or domestic policies. The new regime, headed by Jambyn Batmonh, has emphasized the need for more vigorous efforts to promote economic growth but has not abandoned the basic policy directions of the past two decades. Reporting on Batmonh's visit to Moscow in October suggests Mongolia will continue to parrot Soviet foreign policy and may become even more closely tied economically to the Bloc.

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Soviet Policy in East Asia

Perspective

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The Soviets want to be recognized as major players in East Asia, and they have been taking steps to increase their military, political, and economic influence. But their inflexible diplomacy, limited economic prospects, and preoccupation with security concerns in the region work to their disadvantage.

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The priority Moscow attaches to security concerns in East Asia has been evident in a deliberate and extensive military buildup over the past 20 years. Diplomacy and economic policy have played a subsidiary role and have lacked both clear direction and a sharp focus. Despite a recognition of Asia's growing economic clout and occasional lipservice to its importance, the region has taken a backseat to Europe in Soviet political calculations.

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East Asia's second-level status has been apparent in the modest place it has occupied in the speeches and travels of Soviet leaders over the past two decades, in the infrequency of Moscow's official contacts and exchanges with all but its closest Asian allies, and in the low level of Soviet economic interactions with non-Communist Asian states. The relative backwardness of the Soviet Union's own Asian republics and the continuing concentration of Soviet economic and military strength in the European heartland of the USSR undoubtedly have biased the way Asia is viewed by an overwhelmingly Slavic ruling elite. But Soviet interest in East Asia may be growing in view of what Moscow perceives as a new emphasis on the region in American diplomacy and the prospect of US efforts to foster Pacific cooperation under a second-term Reagan administration.

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The Soviets currently pursue a number of immediate strategic objectives in East Asia:

- Building a military capability viable against the combined forces of potential adversaries in the region, including the United States, China, Japan, and South Korea.

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- Improving relations with Beijing to regain leverage in the Washington-Beijing-Moscow triangular relationship.
- Developing closer ties to North Korea to reduce the advantage China has enjoyed on the Korean Peninsula since the cooling of relations between Moscow and P'yongyang in the early 1970s.
- Bolstering their military presence in Vietnam to enhance their strategic position in the region.
- Forestalling closer cooperation between the United States and Asian states, including Japan, while encouraging them to develop political and economic ties to Moscow as an alternative. 25X1

Policy Instruments and Trends

The article titled "Soviet Military Forces in the Far East" testifies to the priority military modernization continues to command in Soviet policy toward the region. Deployments of Soviet SS-20 intermediate-range ballistic missiles in the eastern USSR increased almost 100 percent between 1981 and mid-1984 and are projected to increase further—by almost 60 percent—by the end of the decade. The Soviet facility at Cam Ranh Bay accommodates the largest concentration of Soviet naval assets currently based outside the USSR. Conventional Soviet ground, air, and naval forces for Asia are undergoing a slow but steady modernization. 25X1

Moscow's political and economic initiatives by comparison appear more halting and less substantial. Although showing concern about renewed discussion of Pacific Basin cooperation with Chinese and US participation, the Soviets to date have responded with propaganda attacks on US motives rather than with counterofferings. Soviet arms control proposals for the region, meanwhile, remain vaguely defined, shopworn, and are bound to be rejected by the United States and the Asian nations. The Soviet presence in non-Communist East Asia remains quite small. 25X1

The Soviets have been particularly ineffective in blocking military cooperation between the United States and China against Soviet global interests. As the article on Sino-Soviet relations suggests, the Soviets since last May have demonstrated a new willingness to signal displeasure over the warming Sino-US relationship, as indicated by the long delay in rescheduling the Beijing visit of Soviet Deputy Prime Minister Arkhipov. 25X1

The continuing chill in Soviet-Japanese relations offers further testimony to Moscow's heavyhandedness in East Asia. The Soviets remain particularly rigid on the Northern Territories issue. Apparently, they believe that they have little to gain by softening their position, and perhaps they hope that a second Nakasone administration will back off the subject in

exchange for better relations and a Tokyo visit by Soviet Foreign Minister Gromyko. Despite the gloomy outlook for substantial improvements in Soviet-Japanese economic ties, the Soviets remain optimistic that trade and economic cooperation with Japan will regain momentum notwithstanding political differences. 25X1

Meanwhile, Moscow appears unwavering in its determination to maintain close ties to Asian allies such as Mongolia and Vietnam. Moscow undoubtedly approved the decision to replace former Mongolian leader Tsedenbal and welcomed the promise of his successor, Batmonh, to improve the management of the Mongolian economy, which Moscow keeps afloat. In Southeast Asia, Moscow appears unrelenting in its support of Vietnam against China and has showcased its commitment by talks with Vietnamese leaders both before and after each round of Sino-Soviet consultations. 25X1

On the Korean Peninsula, the Soviets have failed to impart substantial new momentum to improved relations with P'yongyang—with major economic or military offerings—since Kim Il-song's visit late last May (see article "USSR–North Korea: Postsummit Diplomacy"). The Soviets, however, have resumed low-cost political gestures to improve ties with the North, including a recent visit by Deputy Foreign Minister Kapitsa to sign a military agreement and border treaty. They may become more generous with new assistance should the North retreat from its close public support of the Chinese on foreign policy issues. Meanwhile, in the wake of the KAL shootdown and the Rangoon bombing last year, Moscow appears to have abandoned at least temporarily its efforts to expand informal contacts with Seoul. 25X1

The Soviets have made only limited progress in their recent attempts to mend political fences with ASEAN states. This may be set back by the expansion of the Soviet military presence in Vietnam. Continued Soviet support for the Vietnamese occupation of Cambodia, the series of Soviet spy scandals in the region, and the minor role Soviet trade and economic assistance play in ASEAN economies all work against greater Soviet influence in the region. Moscow meanwhile tries to curry favor with ASEAN regimes by raising concerns over the impact of US policies in the region and over expanding Chinese influence, as the article "USSR-Philippines: Soviet Policy Since the Aquino Assassination" points out. The Soviets, for example, aim to bolster their position in Manila by spreading disinformation, by cultivating ties with President Marcos and his wife, and by building bridges to important domestic opposition groups that favor a more nonaligned foreign policy. 25X1

The Outlook

During the next few years, the Soviets are likely to continue Asian policies that assign overriding importance to the modernization of their military forces in the region and slow but sustained quantitative increases. Moscow's diplomatic efforts and attempts to build ties to local left opposition groups probably will increase. It is unlikely, however, that in the near term these will be any better coordinated with Soviet military policies in the region than in the past or that they will be bolstered by offers of substantial economic aid to non-Communist Asian states. 25X1

In pursuit of their objectives, we judge that the Soviets will:

- Strive for qualitative improvements in their military posture in East Asia by modernizing established forces, improving mobile forces, increasing out-of-area deployments, upgrading regional nuclear capabilities, and working toward better operational and command integration of force elements.

- Increase the use of their facilities at Cam Ranh Bay by naval and naval air units (including increased submarine operations) and further strengthen the air defenses of these facilities.

- Continue a sustained media and propaganda campaign aimed at US influence in the region—attempting to mobilize local antinuclear, pacifist, and nationalist forces to oppose military deployments and Pacific Basin cooperation as an alleged scheme by the United States to create a NATO-style military and political bloc.

- Cultivate key local elites, ranging from businessmen to legitimate opposition figures, by exchanges of delegations and possible offers of training and education.

- Make further offers of increased trade, economic cooperation, and cultural, educational, and technical exchanges with the Chinese, but without concessions on the security issues that impede a major improvement in the political relationship. 25X1

It is possible that Moscow will strike out in some new directions to increase its influence in Asia and to finesse East Asian suspicions of Soviet intentions. For example, it might:

- Promote arms sales to non-Communist Asian nations that have traditionally been Western customers, such as Thailand and Indonesia, with offers of attractive credit terms and prices if Moscow judges that such moves can substantially increase its local political influence.

- Push joint economic development projects in Asia and, less likely, try to involve selected countries other than Japan in Siberian resource development. 25X1

Within the same time frame, we regard it as less likely that the Soviets will:

- Provide major economic assistance to non-Communist Asian states, or make dramatic new commitments to traditional recipients (North Korea, Vietnam), without some firm assurances of a political or military quid pro quo.
- Abandon existing military-political ties to Vietnam without a significant breakthrough in Sino-Soviet relations.
- Make major concessions on the security issues dividing China and the USSR.
- Abandon the effort to promote close state-to-state ties between the USSR and non-Communist Asian countries in favor of open support for left opposition parties or local insurgencies. 25X1

Over the longer term, more vigorous Soviet diplomacy in Asia may be prompted by a growing recognition of the region's economic dynamism and by concern in Moscow about the expanding US and Chinese presence and incipient trends toward regional cooperation. Soviet fortunes also may eventually improve, following leadership changes in Moscow that bring to the fore individuals with a better grasp of current trends in the region.

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Soviet Military Forces in the Far East

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Until the mid-1960s Soviet forces in the Far East were vastly inferior to those opposite NATO Europe. Though China had ceased to be a reliable political ally by the early 1960s, it was not seen as posing a military threat. The logistics and equipment of Soviet ground and air forces opposite China were inadequate for conducting modern offensive operations. Only 16 divisions, all at low levels of manning and readiness, were deployed in the military districts bordering China. The Navy was essentially limited to coastal defense with some capability for airstrikes.

Changing Strategic Emphasis

In the mid-1960s, however, Moscow's attention began to shift increasingly to the East. Soviet leaders probably considered that, while the greatest threat to the USSR continued to lie in Europe and with US strategic forces, there was an increasing possibility of armed conflict with China. The reassessment followed a marked deterioration in Sino-Soviet relations, border clashes,

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Over the next 10 years the USSR more than doubled its ground and air assets along the Chinese border. Soviet efforts focused initially on correcting defensive deficiencies by enlarging and strengthening forces along vital lines of communication and near economic and population centers. The Soviets also began to improve logistics, expand air defenses, and construct numerous fortified positions to multiply the defensive power of what Moscow probably considered to be thinly spread ground and air units.

During this same period the general purpose assets of the Soviet Pacific Fleet enjoyed more modest but steady growth, primarily as part of longstanding plans to create a blue-water Navy. Sea-control and sea-denial capabilities were improved even as the United States drew down its naval power in the region during the first half of the 1970s. Older, less capable surface ships were replaced with newer, missile-equipped frigates and cruisers. By 1975 the Pacific Fleet had over 180 major surface and subsurface vessels, compared to approximately 110 in 1965. Nuclear submarines increased from 14 to 41. Antisubmarine warfare and airborne strike capabilities were also improved.

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Soviet medium- and intermediate-range missiles in the Far East increased dramatically, from roughly 65 SS-4s and SS-5s in 1965 to about 160 single-warhead SS-4, SS-5, and SS-11 missiles—primarily SS-11s—in 1975.

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Force Modernization

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In the early 1970s the Soviets began to move from quantitative changes to qualitative and organizational changes in their forces in the Far East. In large part this was due to a shift from a defensive posture to a more traditional approach emphasizing the ability to conduct rapid strategic-level offensive operations. To this end the Soviets focused on qualitative improvements to ground, air, and air-support forces; a major buildup in logistics to support sustained offensive operations; and an overhaul of their command structure to provide continuous coordination of combined-arms operations by the General Staff. The Soviet army in Mongolia, which because of its forward position is of special concern to Beijing, was upgraded and is now the most combat-ready force facing China. These capabilities have given Moscow additional leverage in its relationship with China.

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Establishment of a Theater Command

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By the mid-1970s Soviet planners had begun to focus on the long-term dangers of a post-Mao China, still hostile to the USSR but more open to the West and with growing access to modern weapons technologies. These concerns probably increased during the late 1970s and early 1980s as Chinese ties to Japan, Europe, and especially the United States became stronger. The Soviets began to see conflict with China

Soviet Arms Control Proposals for East Asia

Moscow has been professing renewed interest in arms control discussions covering Asia, and 25X1

policy planners in Moscow 25X1

were working on the problems. The measures Moscow has aired to date, however, appear intended chiefly for propaganda advantage. The Soviets have shown no interest in initiatives that would limit their military modernization in Asia, but have pressed instead for measures that would constrain US military deployments and undercut cooperation between the United States, China, Japan, and South Korea.

Leaving aside proposals made in a global context that presumably apply to the region, Moscow's specific arms control agenda for East Asia includes:

- ***Confidence-Building Measures (CBMs).*** *Soviet leader Brezhnev, at the Soviet Party Congress in February 1981, proposed that China, Japan, and the United States agree to CBMs similar to those adopted at CSCE negotiations in the 1970s. Moscow has yet to clarify what CBMs would involve; presumably they would include notifications of military exercises above a certain level, the presence of outside observers at exercises, and political declaratory measures such as nonuse of force. The timing of Brezhnev's proposal suggests that Moscow was originally hoping to take advantage of the downturn in Sino-US relations that followed the Reagan administration's assumption of office, but Soviet officials have continued to press the initiative.*

- ***Restrictions on Naval Forces and Bases in the Pacific.*** *Such restrictions were first proposed by Brezhnev in a February 1982 statement to an Australian peace group that was widely publicized by Soviet media. Brezhnev subsequently indicated that Moscow was particularly interested in restricting the patrols of SSBNs. The Soviets probably calculated that such controls would do little to restrict Soviet Pacific naval deployments but would severly constrain US options. Moscow's handling of the Brezhnev proposal suggests that it was intended primarily to gain ground with Asian antinuclear groups.* 25X1

- ***Limits on Intermediate-Range Missile Deployment in Asia.*** *In an effort to advance INF negotiations covering Europe, Soviet leader Andropov pledged in August 1983 that Moscow would not redeploy SS-20s from Europe to Asia, and soon thereafter offered to freeze SS-20 levels east of the Urals as part of an overall INF agreement limiting forces in Europe. The Soviets made these proposals primarily to encourage US flexibility on an INF agreement for Europe, but Moscow probably also hoped to improve its public image in Asia. The Soviets have shown no interest in discussing limitations on intermediate-range forces in the Far East since the collapse of the INF negotiations.* 25X1

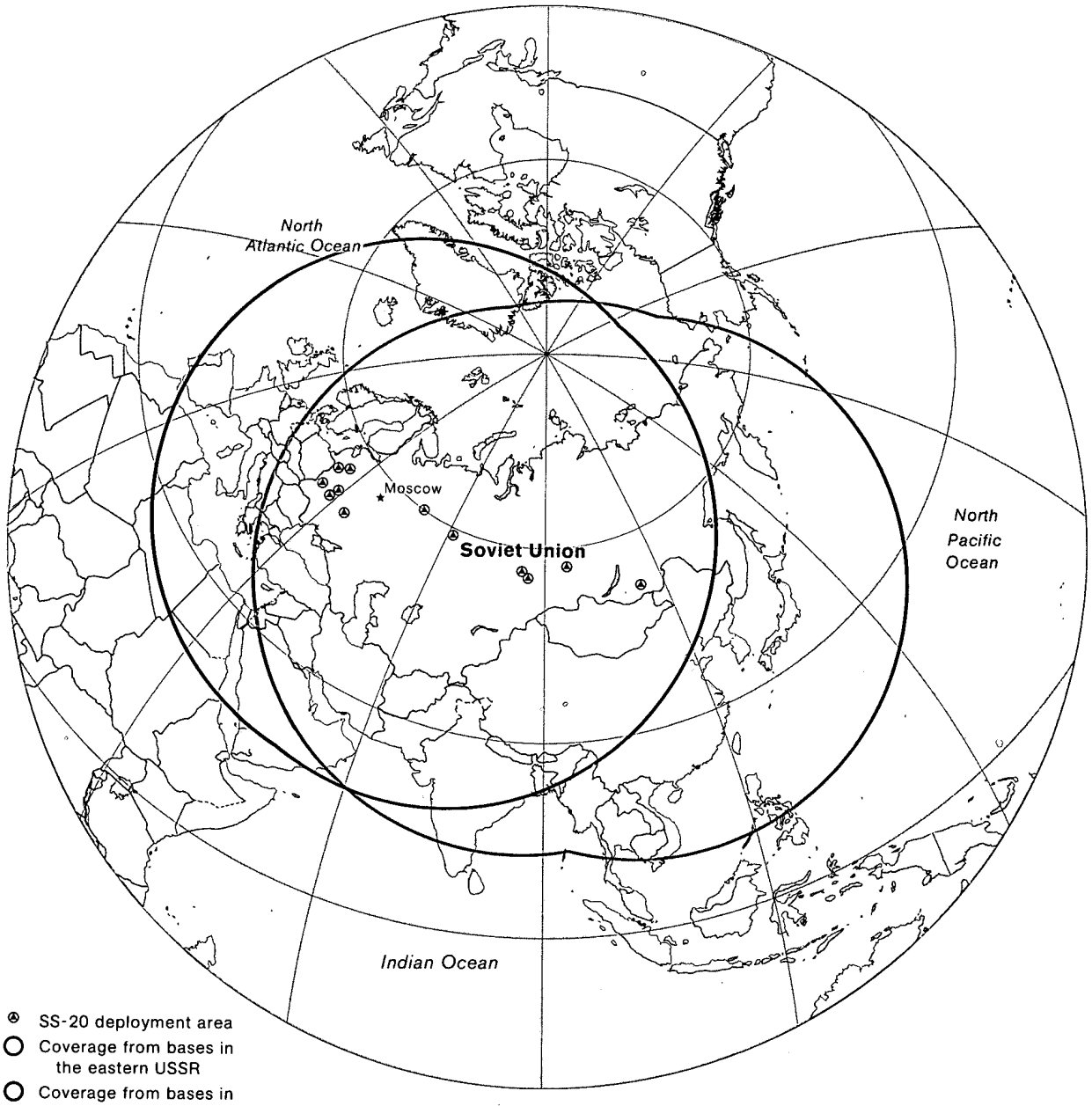
as increasingly likely to be accompanied by conflict, or at least greatly heightened tensions, with NATO and the United States—and vice versa. The USSR had to plan for the probability of war on two fronts 25X1

To prepare for such a war, the Soviets set out to make the Far Eastern theater, which could be easily isolated from Soviet command and resupply centers in the western USSR, as autonomous as possible. They undertook a program to improve logistics, and ground and air forces can now operate for up to two months without significant resupply. In 1978 a High Command of Forces in the Far East—the first permanent peacetime regional high command—was established at Ulan Ude. It improves the continuity of General Staff control and provides better coordination of multitheater and combined-arms operations, especially in a wartime situation where communications with Moscow could be disrupted or delayed. 25X1 25X1

Reaction to Renewed US Involvement

After a low point of US involvement—probably reached with US plans to withdraw ground forces from South Korea in 1977—the United States began

Figure 1
SS-20 Deployment and Selected Coverage



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Soviet Order of Battle in the Far East

Ground Forces	
Active divisions [a]	53
Tank	7
Motorized rifle	45
Coastal defense	1
Personnel	490,000
Medium tanks	14,000
Air Forces	
Fixed wing	1,997
Bombers	112
Fighters	725
Attack	905
Reconnaissance/ECM	255
Helicopters	1,190
Attack	460
Transport	340
General purpose	390

Pacific Fleet	
Ships	
SSBNs	25
SSBs	7
General purpose submarines	93
Command and control submarines	2
VTOL aircraft carriers	2
Principal surface combatants	80
Amphibious warfare ships	20
Aircraft	
Long-range strike aircraft	104
Fighter-bombers	35
VTOL fighters	41
Long-range reconnaissance and electronic warfare aircraft	57
Long-range ASW aircraft	25
Medium-range ASW aircraft	53
Naval helicopters	99

[a] These figures exclude several mobilization division bases and one independent army corps composed of brigades. Four divisions—one in the northeastern USSR, two on Sakhalin Island, and the coastal defense division on the Kuril Islands—are included in the total but are not stationed opposite China.

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to expand its air and naval forces in the region. In 1979 Washington and Beijing exchanged ambassadors, signaling a new and expanded relationship. At the same time, Vietnam's occupation of Cambodia—with the backing of the Soviet Union—spurred military cooperation with China and the ASEAN countries, who felt increasingly threatened by both Vietnamese and Soviet expansion.

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The Soviets have viewed with alarm the prospect of military coordination between the United States, Japan, China, South Korea, and the ASEAN countries. Japan, in particular, is seen as playing a critical wartime role by virtue of its geographical position. It could serve as a forward base for US strike forces, allowing US and Japanese naval assets to threaten the Soviet Navy, including strategic strike forces, inside the Sea of Japan. Moscow has repeatedly criticized Japan for its increasing military cooperation with the United States, the rise in Japanese defense budgets, and Japanese insistence on the return of the Soviet-occupied Kuril Islands.

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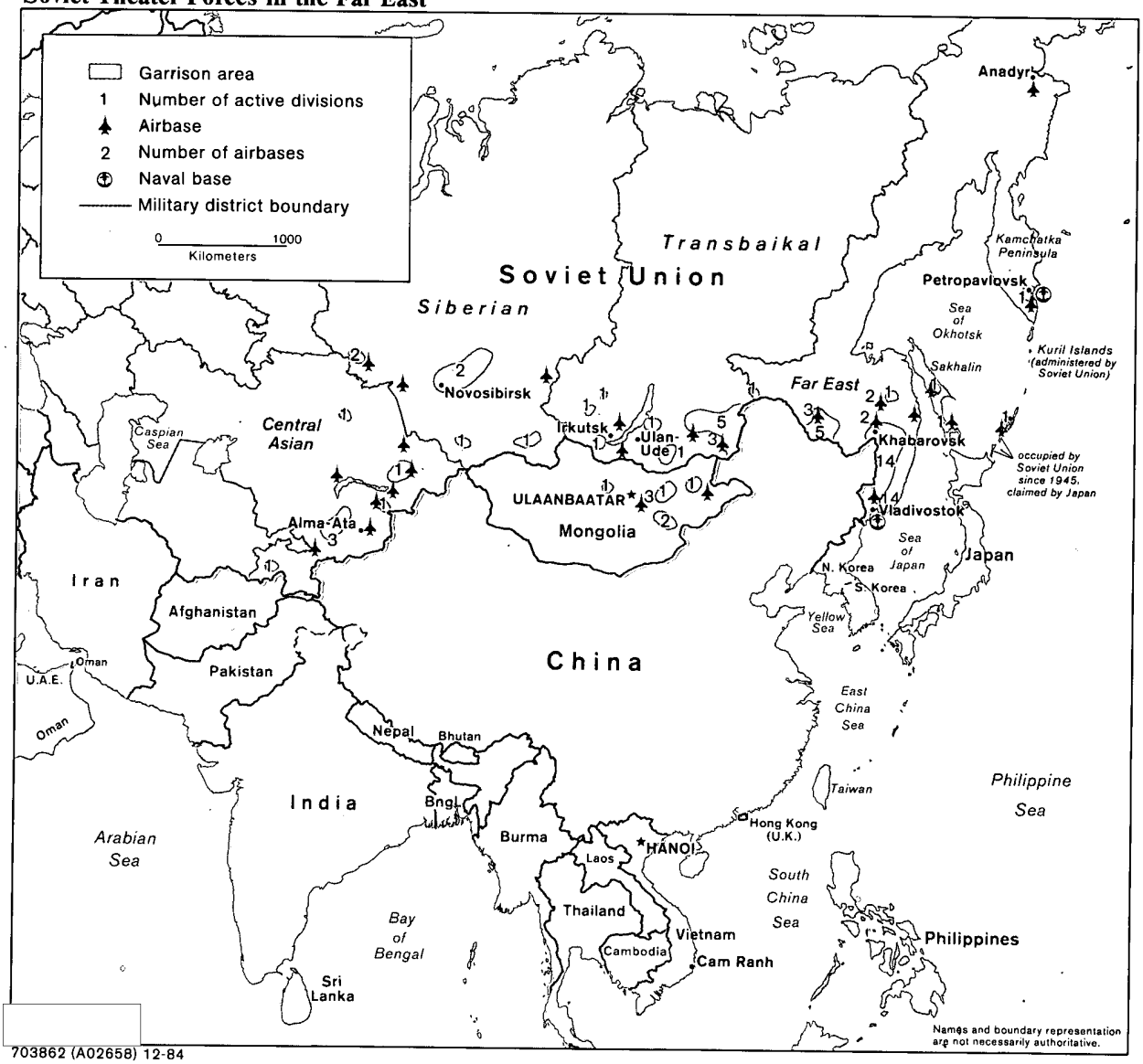
Figure 2
Soviet Theater Forces in the Far East



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The Kremlin's response has been to try to intimidate countries in the region by continuing to build up its military, especially its power-projection and theater nuclear capabilities:

- The Pacific Fleet's capabilities have been increased with more capable surface ships, including two Kiev-class aircraft carriers. A number of Y- and G-class nuclear-powered ballistic missile submarines (SSBNs) have been shifted to patrols in the Sea of Japan for theater missions, primarily against China and against US targets as far away as the Philippines. New naval support and ASW facilities have been built in the central Kurils, and two regiments of naval TU-22 Backfires—40 aircraft—are now deployed to threaten US carrier battle groups and military bases. In addition, the deployment of newer D-class SSBNs capable of striking the continental United States from launch positions in the Northwest Pacific and the Sea of Okhotsk have led to increased emphasis on defending home waters.

- The first SS-20 IRBMs in the Far East were deployed in 1977. 25X1

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Some of the Far Eastern SS-20s can also strike Japan and possibly the northern Philippines (see figure 1).

- An additional 40 Backfires have been deployed with Soviet Air Forces near the Chinese border.

- Since 1979 the Soviets have built up their air and naval forces at Cam Ranh Bay, Vietnam. The 16 Badger medium bombers presently stationed there could attack southern China and the Philippines, and US and Chinese forces in the South China Sea, Gulf of Thailand, and eastern Indian Ocean, as well as at critical choke points such as the Malaccan Straits. 25X1

Further improvements over the next few years will probably include deployment of advanced Foxhound (MIG-31), Flanker (SU-27), and Fulcrum (MIG-29) fighters with a lookdown/shootdown capability; sea- and air-launched cruise missiles; additional SS-20 bases in the eastern USSR, raising the total to approximately 200 launchers; and possibly a third naval Backfire regiment. By the late 1980s we may see initial deployment of long-range Blackjack strategic bombers, and in the mid-1990s a large aircraft carrier could become operational with the Pacific Fleet. These improvements would greatly expand the reach of Soviet conventional and nuclear power, primarily to counter the growing capabilities of US Pacific forces and as a hedge against Chinese force improvements. 25X1

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Sino-Soviet Relations: Deadlock on Key Issues

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Diplomatic contacts between the USSR and China have continued to expand over the past year, as have bilateral trade and exchange programs in the economic and cultural spheres. Both sides appear to believe that the appearance of movement in these areas can provide useful diplomatic leverage with the United States, Japan, and other Western countries. But two more rounds of political consultations seem to have left the USSR and China still far apart on the critical issues preventing a significant improvement in relations. Moreover, the two sides have only begun to repair the damage inflicted on their relationship last May, when Moscow abruptly postponed a planned visit to Beijing by First Deputy Premier Arkhipov.

Frictions in the Political Relationship

The postponement of Arkhipov's visit interrupted Moscow's efforts to expand its dialogue with Beijing. Although the Soviets went ahead with several diplomatic exchanges in the following months—a visit to Moscow by Chinese Deputy Foreign Minister Qian in July, two sessions between Foreign Ministers Gromyko and Wu at the United Nations in September, and a fifth round of consultations on bilateral issues in Beijing this October—they simply repeated old proposals that the Chinese had repeatedly rejected in the past. Meanwhile, the Soviets took additional military and diplomatic steps to reaffirm their support for Mongolia and Vietnam. The expanding Soviet presence at Cam Ranh Bay, which has improved the USSR's ability to counter China's military forces in the South China Sea, probably strikes the Chinese as especially provocative.

The Soviets also stepped up their criticism of China's policies last summer—notably when discussing Beijing's warming relations with Washington or Chinese military pressure on Vietnam. Several authoritative commentaries in the Soviet press concluded that, despite certain tactical changes in foreign policy, China remains basically committed to strategic cooperation with the United States against Soviet global interests. An article in a June issue of the journal *Party Life* also called on the Chinese to prove they were good Communists by joining the struggle against the "imperialists." The article insisted that one cannot be a good Communist and reject Communist unity, and it claimed that the excesses of China's Great Cultural Revolution were an eloquent example of the damage caused by "deviations from proletarian internationalism."

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The tougher Soviet stance apparently reflected Moscow's irritation over adverse trends in the Sino-Soviet-US triangular relationship. As the Kremlin sees it, China during the past year has moved to strengthen its security ties with the United States while standing fast on policy toward the USSR. These recent trends have undermined Moscow's previous hopes of capitalizing on Sino-US tensions over Taiwan in the early years of the Reagan administration to improve its own position with Beijing. The Soviets also may believe that their earlier tactics of publicly wooing the Chinese—and their upbeat assessment of the prospects for improved relations—indirectly helped the Chinese develop closer ties to both the United States and Japan without advancing Soviet influence in Beijing.

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Efforts at Renewal

Both Moscow and Beijing recognize the potential diplomatic leverage they gain from an improving relationship, however, and they have taken steps this fall to restore some momentum to the dialogue. Soviet commentaries on the Gromyko-Wu sessions at the United Nations in September suggested that they had been less contentious than Gromyko's meetings earlier this year with Chinese Deputy Foreign Minister Qian. Moscow's handling of the 35th anniversary of the founding of the PRC on 1 October was warmer than in 1983, as was Beijing's message to Moscow in early November on the anniversary of the Bolshevik Revolution. Meanwhile, top Soviet leaders have exercised restraint in their recent public comments on Chinese policy, finding only positive things to say about China.

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The Soviets did not, however, halt all criticism of Chinese policies during this period, especially in their academic journals. The November issue of *International Affairs*, for example, chastised Beijing for pursuing its national interests to the exclusion of "socialist principles" by playing on the contradictions between the "socialist" and capitalist camps. The thrust of the article was that recent Chinese leadership statements had made clear the continuing anti-Soviet orientation of Beijing's foreign policy.

The Chinese have made several conciliatory gestures in recent statements. President Li Xiannian, during his visit to Romania in late August, asked party chief Ceausescu to assure Moscow that Beijing would never enter an anti-Soviet alliance with the United States. Wu reportedly gave Gromyko the same message during their UN talks in September, and party Secretary Hu Yaobang told an Italian Communist journalist in late September that the Gromyko-Wu sessions may have marked a "new phase" in Sino-Soviet relations. The chief of the Chinese Communist Party's Organizational Department told Japanese Socialist Party officials in late October that Beijing hopes to continue talks with Moscow "at any level" to help improve Sino-Soviet relations.

Beijing, however, has not eased its pressure on the Soviets for concrete steps on Afghanistan, Indochina, and Soviet forces along China's northern perimeter. Accounts from both sides indicate that Wu stressed the importance of progress on at least one of these "obstacles" during his talks with Gromyko. A Chinese diplomat told the US Embassy in Kabul on 4 November that the Soviets had proposed a joint message that would have suggested some forward motion had been achieved at the Beijing talks in October. The Chinese refused, however, saying that there could be no progress as long as the Soviets refused to do anything about the obstacles to better ties. The communique on the talks stated only that "each side set forth its position on the normalization of relations between the two countries."

Expanding Economic and Cultural Contacts

Both sides are apparently prepared to gradually expand contacts and exchanges in the economic, scientific, technological, and cultural fields, despite the lack of progress on more contentious questions. The communique on the Beijing talks in October stated that the two sides had again expressed their willingness to expand such contacts. By mid-December, both sides had made it clear that they wanted Arkhipov's late December visit to Beijing to be a success. Arkhipov is the highest ranking Soviet visitor to China since 1969, and decisions leading up to his trip had been handled at the highest level in Moscow, according to Soviet academic experts on China. We assume that preparations for his trip received similar high-level attention in Beijing. 25X1 25X1

The Soviet Government's senior China expert, Deputy Foreign Minister Kapitsa, has claimed that "small steps" of this sort will eventually lead to a significant improvement in the USSR's relations with China. The Soviets may also calculate that economic and cultural contacts will ultimately work to Moscow's political advantage, since they reportedly expect a post-Deng regime in which leaders favoring better ties with the USSR could play a more prominent role. The Chinese, for their part, regard such contacts and exchanges as a means of pressing the United States, Japan, and other Western countries to be more responsive on various issues, and as a way to keep Sino-Soviet tensions from getting out of hand. 25X1 25X1

A Soviet Foreign Ministry official, during a conversation with a US diplomat on 1 November, reported on current planning for exchanges over the next year. He said that eight artists from each country and five scientific-technical delegations would be exchanged in 1984, in accordance with the yearly plans agreed to by the concerned ministries. He also predicted a modest increase in the number of exchanges in 1985, but indicated that the details were still to be negotiated. In early November a Soviet trade official told the US Embassy in Beijing that the USSR's State Committee for Foreign Economic Relations would assign a representative to the Soviet Embassy in the near future, that Sino-Soviet trade should reach $1 billion in 1984,[1] and that cross-border trade between neighboring provinces would reach $10 million next year. 25X1 25X1

[1] This would be a gain of about 30 percent over 1983 but less than the $1.2 billion called for in this year's protocol. The trade protocol for 1985, signed in Moscow at the end of November, sets a target of $1.5 billion for bilateral trade next year. 25X1

Meanwhile, the agreement that the two sides reportedly reached a year ago on Soviet aid in modernizing several older Soviet-built industrial plants in China apparently is slowly being implemented. US travelers met a Soviet adviser at a textile factory in Manchuria in late October who claimed to be the first Soviet technician to return to China since the withdrawal of Soviet advisers in the early 1960s.

During his late December visit to Beijing, Arkhipov and his Chinese hosts reached agreements on scientific, technical, and economic cooperation and on the creation of a joint committee to supervise exchanges in those areas. The two sides also agreed to sign a long-term trade agreement for 1986-90 next spring, replacing yearly trade protocols such as the one they had signed on 30 November for next year. These issues have been under discussion for some time, and the agreements do not represent a major breakthrough. At the same time, they add up to a relatively productive visit that probably will help get the Sino-Soviet dialogue back on track.

The new Chinese economic reforms could prove to be a complicating factor in the future economic relationship. Soviet media have taken a critical line, citing Chinese and US press material to suggest that the reforms could undermine the "socialist system" in China and strengthen the PRC's economic ties with the West. Leading Soviet China-watchers have told US diplomats in Moscow that the Chinese reforms are "definitely out of line with the orthodox Marxist-Leninist model." A Soviet diplomat in Beijing claimed that the Chinese decision to give operational autonomy to foreign trade corporations would work against Soviet interests. In the past, he said, the centralized system favored Soviet traders because the PRC Trade Ministry could impose "buy-Soviet" orders for specific products, but Chinese trade corporations would now be free to buy from whomever they want.

Implementation of the reforms will, in our judgment, work to broaden China's ties with the United States and the West, but will not—at least in the short term—have much impact on Sino-Soviet economic ties. Over the longer term, Moscow's primary concern may be the impact of the reforms on Eastern Europe. If successful, the reforms could strengthen the arguments of those within the CEMA nations who have raised questions about the Soviet economic model.

Outlook

The gradual expansion of contacts and exchanges has not, as yet, led to a marked improvement of the political atmosphere. There is no sign of movement on the security issues dividing the USSR and China, and the improved Sino-US relationship is a complicating factor that could deal yet another setback to the Sino-Soviet dialogue. Fighting during the current dry-season campaign in Cambodia could provoke another round of Sino-Vietnamese skirmishes, which also could complicate Sino-Soviet negotiations. Meanwhile, there is no evidence of a constituency in either leadership arguing that the normalization process should be accelerated.

The Soviets still act as if they regard the Sino-Soviet-US triangular relationship as fluid, however, and new moves in the coming months to restore momentum to the dialogue with Beijing cannot be ruled out. The Soviets could, for example, float a new initiative designed to make a show of flexibility on the Sino-Soviet border dispute or on the Mongolian question. It is also conceivable, although less likely, that Hanoi will go easy during the current dry-season campaign in Cambodia. But the Soviets may, at the same time, toughen their public rhetoric, as they did between May and August, to remind the Chinese that they are prepared to accept a worsening of Sino-Soviet relations if Beijing forcefully pursues a rapprochement with Washington. A resumption of full-scale polemics, including more direct or higher level criticism of China's economic reforms, would also have a damaging impact on the Sino-Soviet dialogue. The Soviets' recent moves to strengthen their military presence at Cam Ranh Bay in Vietnam could lead to a new round of polemics.

The Chinese, for their part, seem to expect no real progress with the Soviets, despite recent well-publicized efforts to improve the atmospherics of their relationship. Beijing has apparently concluded that the present Soviet leadership is transitional and that Chernenko lacks the power to accommodate China's strategic concerns even if, contrary to Chinese belief, he were disposed to do so.

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USSR–North Korea: Postsummit Diplomacy

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After more than a decade of frosty relations, Moscow has moved during the past two years to strengthen its ties to P'yongyang. The Soviets are motivated by P'yongyang's recent diplomatic offensive and concern about a perceived increase in military cooperation among Washington, Tokyo, Seoul, and possibly Beijing. Reductions in Sino-Soviet tensions during this period may have made the Soviets more confident than before that North Korea would respond favorably to their overtures, given P'yongyang's diminished ability to play the two Communist powers off against one another. Also, during the past 12 months, Moscow may have grown increasingly sensitive to being treated as "odd man out" in possible talks on the future of the Peninsula.

North Korean leader Kim Il-song's visit to Moscow last May, however, failed to give any immediate momentum to the slowly warming relationship. This fall Moscow resumed its political gestures, apparently to counter North Korea's conciliatory moves toward Seoul and the West.

Thus far, the Soviets have avoided major offers of new economic and military assistance. Moscow may be holding out for stronger backing from P'yongyang on major international issues or for an invitation to play some role in talks on the Korean Peninsula's future. Continued North Korean conciliatory moves toward Seoul and the West, however, might prod the Soviets to be more generous with military and economic aid.

The Kim-Chernenko Summit

Both the Soviets and the North Koreans probably hoped that Kim's May-June visit to Moscow and East European capitals would give momentum to the gradual improvement in political ties that had occurred during the previous year. The Soviets probably expected that Kim would endorse their policies on international issues such as Cambodia, Afghanistan, and the East-West military competition. Kim may have hoped for an explicit Soviet endorsement of his son and heir, Kim Chong-il, and probably expected a firm Soviet commitment to major new economic and military assistance.

We believe the results disappointed both sides and are responsible for the apparent cooling of Moscow's renewed courtship over the ensuing months. Kim departed with no new agreements in hand and declined to join Soviet leader Chernenko in publicly attacking US, Japanese, and Chinese policies in Asia. The Soviets could hardly have been pleased when, shortly after leaving Moscow, Kim endorsed the Democratic Kampuchean forces backed by Beijing.

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The Aftermath

The visit reduced Soviet interest in improving the political relationship for several months:

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- Moscow's treatment of the anniversaries of the Soviet–North Korean defense treaty and Korea's Liberation Day celebrations in July and August this year was pro forma, resembling Soviet treatment before the courtship began two years ago.

- Moscow gave only routine coverage to North Korea's mid-September National Day celebrations, while the level of Soviet representation at the North Korean Embassy festivities in Moscow was substantially lower than that sent by the Chinese.

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By early fall, however, North Korea's more active regional diplomacy aimed at mending fences with Seoul and Tokyo appears to have stimulated renewed Soviet interest in strengthening bilateral political ties. Ambassador Shubnikov's meeting with Kim Il-song's son in September marked Moscow's most direct acknowledgment of the succession to that date. The North Korean press reported that the Soviets toasted Kim Chong-il at North Korean celebrations in September, although the Soviet media provided no coverage of the younger Kim until the announcement of his meeting with Soviet Deputy Foreign Minister Kapitsa in late November.

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In mid-October, less than a month after Foreign Minister Gromyko met North Korean Foreign Minister Kim Yong Nam during the UN Assembly session

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in New York, the two met again in Moscow for an "exchange of opinions" on Soviet-Korean relations and international problems. Gromyko used the occasion to voice "full support" for the North's recent conciliatory gestures toward the South.

In late November, Kapitsa traveled to P'yongyang with no advance fanfare, ostensibly to negotiate and sign a border agreement. Kapitsa also used the occasion to sign a military agreement with the North Koreans and to promise that Moscow would provide the North Koreans with a nuclear reactor. The timing of the visit, the implicit endorsement of North Korea's succession arrangement, and the commitment to provide some limited military and economic aid reflect Moscow's continuing interest in a closer relationship.

Moscow meanwhile has also taken steps to demonstrate solidarity with P'yongyang's efforts to obstruct the 1988 Seoul Olympics. These include the beginnings of a coordinated effort to get Seoul to cohost some of the events with P'yongyang, with an implicit threat of another Olympic boycott—as played in the Soviet press and privately—should Seoul not agree.

Limits to Assistance

Notwithstanding such gestures, Moscow and its allies continue to appear reluctant to offer major new material assistance to build political influence in P'yongyang:

- during Kim's May visit the Soviets responded positively to only two minor North Korean economic proposals,

- In mid-July the Poles agreed to provide technicians and equipment to help North Korea's coal industry, as well as a thermal power station and a railcar factory, but only on a cash payment or compensation basis.

- Soviet media described the agenda for the annual mid-September session of the Soviet–North Korean economic cooperation committee in terms of issues that predated Kim's visit, while labeling the atmosphere "friendly and businesslike"—a formula Moscow often employs to mask disagreement. 25X1

The Soviets, nevertheless, apparently did agree to provide continuing economic assistance during follow-on negotiations this fall in view of the impending completion of Soviet-assisted projects from previous plans. economic cooperation agreements signed by Moscow and P'yongyang in October provided for assistance in oil exploration, ferrous metals mining, fishing, and Siberian timber. Moscow will provide North Korea with additional petroleum at preferential prices, assistance in building a major new metallurgical complex, and aid for many economic ventures, but we have no independent confirmation of these claims. 25X1

North Korea is requesting Soviet project assistance worth roughly $1.25 billion for its next seven-year (1986-92) development plan. The amount requested is roughly 70 percent larger than the total economic assistance—including both project aid and oil price subsidies—Moscow provides for P'yongyang's current plan. the Soviets may agree to only half the requested amount. Under such circumstances total Soviet assistance for the plan would fall 15 percent below previous levels.[1] 25X1

The available evidence suggests that the warming of Soviet–North Korean relations and the high-level talks held during Kim's visit have had little immediate impact on Moscow's longstanding reluctance to provide P'yongyang with major new weapon systems. 25X1

[1] Total Soviet economic assistance for 1977-83 is contrasted to the project aid reportedly requested for 1986-92. The rise in CEMA oil prices will eliminate automatic oil subsidies from the picture after 1984 unless the Soviets in fact give P'yongyang preferential treatment not accorded Moscow's East European, Cuban, or Vietnamese allies. We believe this is unlikely. 25X1

We believe Soviet restraint reflects Moscow's ongoing uneasiness over P'yongyang's real intentions on the Peninsula, doubts about North Korea's ability to pay for new systems, and concern that advanced weapons technology might fall into Chinese hands.

There is still no reliable evidence to support claims by sources that the Soviets have agreed to supply MIG-23 fighters to North Korea. Kapitsa said that, although the North Koreans had requested fighters, the Soviets believe that "helicopters are enough." Moscow may have agreed to provide helicopters or helicopter technology in the military agreement that the two sides signed.

Given South Korea's qualitative advantage in airpower, the Soviets probably are not deterred by concern over the impact of one or two dozen MIG-23s on the regional military balance—even when these are added to the Chinese model F-7s P'yongyang is scheduled to begin producing in 1985. A large Soviet delivery, however, would eliminate the South's qualitative edge and, we believe, probably would be avoided by Moscow as destabilizing. Until the North Koreans show a willingness to deliver something of comparable political or military value to Moscow, the Soviets probably will continue to refrain from even token deliveries.

a Soviet-designed, 1960s-vintage Scud B tactical missile The evidence in hand suggests that the Koreans were probably trying to test the missile even before Kim went to Moscow. Despite the age and limited accuracy of the Scud, its 180-nautical-mile range would give the North a new ability to strike targets well south of Seoul, including vital South Korean and US airbases.[2] Available evidence, however, does not indicate whether North Korea has received a significant number of the missiles or if, in fact, the Soviets were even involved, directly or indirectly, in the delivery. It is possible that the North acquired the missile from another Soviet arms client and is attempting to produce or reverse-engineer the weapon domestically. 25X1 25X1

[2] Other North Korean rockets and missiles have ranges of less than 50 nautical miles 25X1

Soviet Motivations and Goals 25X1

Soviet stalling on major offers of material assistance most likely reflects a decision to await more tangible signs that P'yongyang has moved decisively toward Soviet positions on key international issues. Moscow remains displeased with P'yongyang's January 1984 proposal for tripartite talks—involving the United States and both Koreas—as a step toward Korean reunification. the Soviets appear wary of signs that four-party talks involving the United States and China but not the USSR might be in the offing. According to the Chinese, the USSR has raised the issue of Soviet participation, but so far P'yongyang has given no sign that it sees a formal role for Moscow. 25X1 25X1 25X1 25X1 25X1

Moscow apparently remains unimpressed by Kim's guarded endorsement of some Soviet positions in his interview with TASS in March 1984 or the noticeably warmer messages sent by P'yongyang during the summer-fall anniversary celebrations. The signs of strains in North Korean–Chinese relations that appeared after Kim's Moscow trip were apparently insufficient to convince the Soviets that P'yongyang had abandoned a pro-Beijing tilt on international issues. 25X1 25X1

It is conceivable that Soviet delaying tactics are also a secondary result of recent leadership changes in the Kremlin. Moscow's courtship of P'yongyang blossomed most visibly during Andropov's brief tenure in office. The invitation to Kim was issued while Andropov was still alive even though the visit occurred after his death. The temporary absence of new Soviet political gestures toward North Korea until late this fall may reflect, in part, a reduced commitment to bolstering the relationship on the part of the Chernenko leadership. 25X1 25X1 25X1 25X1 25X1

North Korean Reactions

P'yongyang, for its part, has sent Moscow clear signals of its interest in establishing closer ties while refusing to echo Soviet positions on international issues. North Korea showcased its interest by its favorable media treatment of the USSR on the defense-treaty and Liberation Day anniversaries late last summer and by its treatment of the National Day celebrations held in Moscow this fall. North Korean Vice President Pak in mid-September stressed the importance of "socialist unity"—a Soviet catch phrase—while playing down "independence" and "nonalignment," themes that once dominated North Korea's foreign policy pronouncements. In the same month, the North Korean press gave precedence to Soviet rather than Chinese accounts of the Wu-Gromyko meetings at the United Nations. It also began to cite Soviet accounts of events in North Korea ahead of Chinese accounts, reversing previous practice. While Kapitsa was still in P'yongyang, however, Kim made an "unofficial" trip to Beijing in late November that the Chinese publicized widely. This would suggest that signs of frost on the Sino–North Korean relationship are more apparent than real.

North Korea's motivations and timing seem tied to its economic problems and planning cycle. As the country embarks on a new development plan, the issue of pinning down major project assistance—one of the goals of Kim's Soviet–East European tour—becomes especially critical. To this end, over the past few months North Korea has attempted to improve its economic image in the West by repaying some European creditors and adopting a new joint-venture law designed to encourage foreign investment. P'yongyang has also sought to project an image of political flexibility through its willingness to engage in direct talks with the South on sports, economics, and humanitarian issues and through its dialogue with visiting Japanese politicians.

P'yongyang may be using these demonstrations of increased flexibility and its high-level exchanges with the Chinese to press Moscow to be more generous with economic and military assistance. Moscow's prompt political response to P'yongyang's overtures to the West this fall—and almost certainly Kapitsa's recent trip—suggest that the North has managed to get Moscow's attention.

Scenarios and Implications

The outlook for Moscow's ties to North Korea depends on the kind of balance P'yongyang wants to strike in its relations with Moscow, Beijing, and the West. Any dramatic realignment by P'yongyang toward the Soviet camp remains highly unlikely. The Soviets probably will continue to delay making major new economic or military commitments in the absence of some definitive political quid pro quo from P'yongyang. They will, however, offer additional, low-cost political gestures—as well as military and economic assistance at or near existing levels—to preserve the semblance of an improving relationship.

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Meanwhile, Moscow's belated public endorsement of the Kim Chong-il succession, at a time when the transfer of power is already progressing, may have been costly. Resentment within a new North Korean leadership might limit future Soviet political influence in P'yongyang, regardless of the subsequent steps that Moscow takes.

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Indications that North Korea will continue to expand economic ties to the West—a step China has repeatedly urge '—could affect the Soviet calculus. Such moves by P'yongyang might elicit new Soviet aid offers even without additional support for Soviet policy positions. In northeast Asia as elsewhere, the Soviets remain highly sensitive to being treated as "odd man out" in regional matters. Moscow, for example, already has moved ahead with assistance to North Korea's nuclear power program that Kim requested in May. The Soviets also might use the promised delivery of 36 US F-16s to the South between 1986 and 1989 as a pretext for delivering a few advanced aircraft to the North to demonstrate political support.

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USSR-Vietnam: Growing Soviet Influence

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Soviet and Vietnamese objectives in Southeast Asia differ in many respects, but a mutual concern about China and a withdrawal of Western financial support from Vietnam have been driving the two countries closer together since the late 1970s. The Vietnamese need Soviet military and economic assistance to revive the devastated economy, contain the Chinese-supported Cambodian resistance, and fend off Chinese pressure on their mutual border. The Soviets, for their part, view the alliance as essential for projecting military power into the region. Events since last winter have underscored the importance Moscow attaches to good relations with Hanoi.

The China Factor

The prospect of improved Sino-Soviet relations remains a sensitive issue between Hanoi and Moscow. The Vietnamese have been visibly nervous since the Soviets resumed ministerial contacts with the Chinese in October 1982, and Beijing promptly cited Vietnam's intervention in Cambodia as one of "three obstacles" to improved Sino-Soviet relations. The Soviets have tried to reassure Hanoi through frequent diplomatic consultations, and events of the past few months have testified to Moscow's apparent determination to expand ties to Hanoi even at the expense of better Sino-Soviet relations.

The most dramatic sign of Moscow's support for Hanoi was its decision last May to postpone the visit of First Deputy Premier Arkhipov—who would have been the most senior Soviet official to visit Beijing since 1969—a few days before he was scheduled to arrive. The Soviets claimed the visit was postponed for "bureaucratic reasons," but we believe Moscow was responding to increased Chinese pressure along the Sino-Vietnamese border last April and extensive Chinese naval exercises in the South China Sea in early May, as well as to China's warm welcome for President Reagan less than two weeks before the planned visit. Moscow probably calculated that to go ahead with Arkhipov's visit at a time of heightened Sino-Vietnamese tensions would suggest a willingness to sacrifice Hanoi's interests for the sake of improving relations with China. General Secretary Chernenko also broke a two-year moratorium on Soviet leadership criticism of China by openly attacking Beijing's activities in Southeast Asia during June visits to Moscow by Vietnamese and Laotian Communist Party leaders.

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Despite such manifestations of a shared outlook on Chinese behavior in the region, both Moscow and Hanoi remain wary about the other's relations with Beijing. On the one hand, the mere prospect of improved Sino-Soviet relations feeds Hanoi's concerns about the USSR's reliability as an ally. On the other hand, the Soviets may be uneasy that the unusually early start of Hanoi's dry-season operations in Cambodia could undermine broader Soviet interests in a rapprochement with Beijing. The pledge by Foreign Ministers Gromyko and Thach to "synchronize their political watches"—made during Thach's visit to Moscow in October—was apparently a signal to Hanoi of Moscow's concern that Vietnamese military actions in Cambodia not complicate Arkhipov's rescheduled visit to Beijing in late December.

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Buildup at Cam Ranh Bay

By far the most tangible gain for the Soviets in Vietnam is the increasing use of naval and air facilities at Cam Ranh Bay. Cam Ranh, which has the largest Soviet naval presence outside the USSR, differs from other Soviet overseas facilities because of the extensive number of ships and aircraft permanently operating from there. Access to Cam Ranh allows the Soviets to project military power into an area where American power has traditionally predominated and to put additional pressure on China. Moreover, the base enables the Soviets to:

- Greatly increase their capability to monitor US, Chinese, and other naval activity in Southeast Asian waters.
- Complicate US strategic planning and pose a threat to other countries in the region, especially China.

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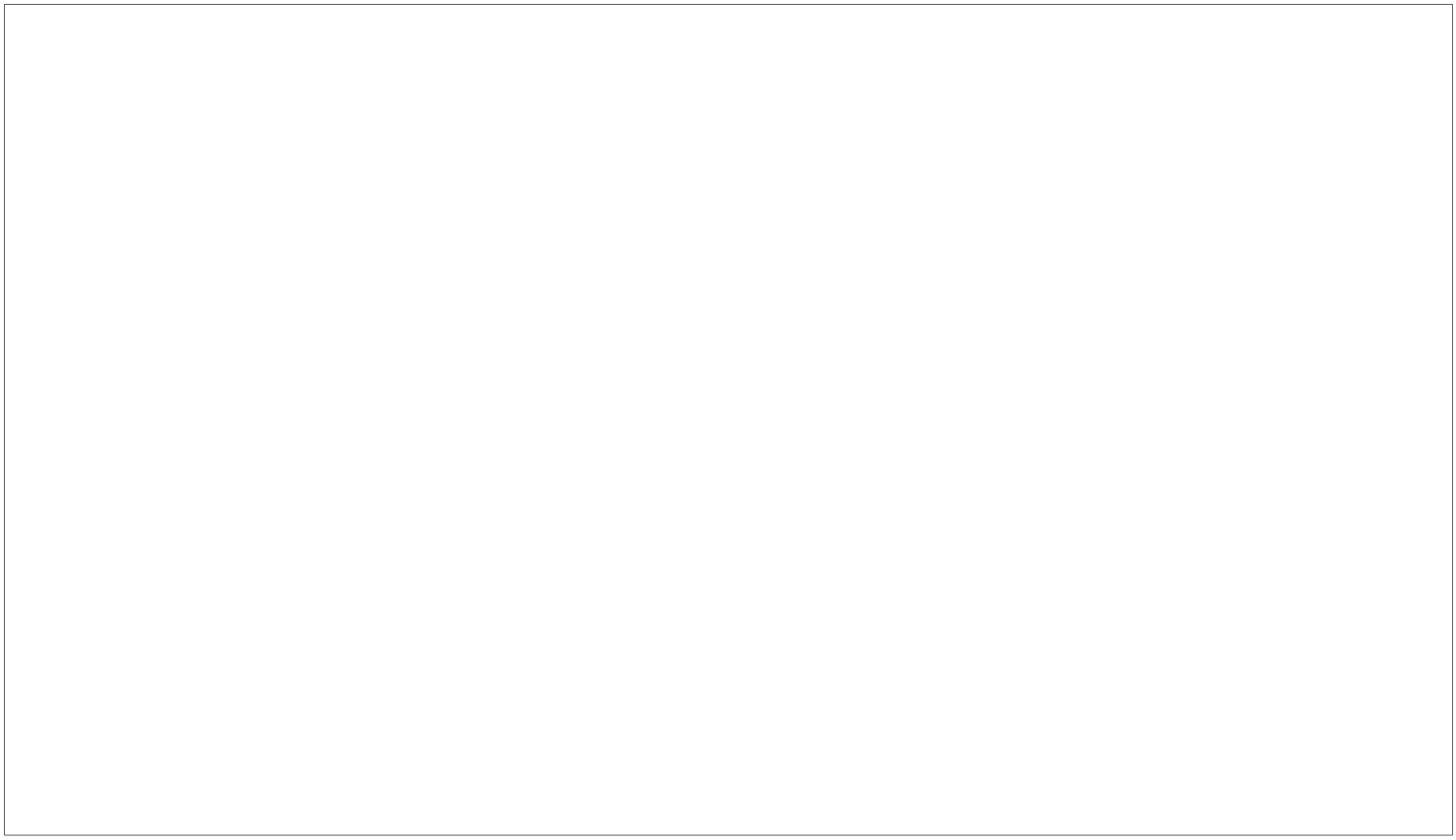

- Quickly augment their naval presence in the Indian Ocean in response to crises.
- Pose a potential threat to regional sea lines of communications, especially to maritime traffic passing through the Straits of Malacca.
- Provide a visible demonstration of support for Hanoi.

In November and December 1983 the Soviets sent a squadron of nine TU-16 Badger bombers to Cam Ranh, the first strike aircraft deployed outside the Warsaw Pact in over a decade. They recently deployed seven additional Badgers, and the expansion at the airfield indicates the Soviets will increase the size of the unit to a regiment of some 40 aircraft. In addition to the Badgers, the Soviets have also deployed four Bear D long-range reconnaissance aircraft and four Bear F antisubmarine warfare aircraft. The Soviets have just sent Flogger interceptors to Cam Ranh, probably in the belief that their growing presence at the base called for improved air defenses. The number of Soviet ships at the base fluctuates from 20 to 40—the largest concentration of ships routinely deployed at any Soviet overseas facility.

The China threat provides Vietnam with public justification for the Soviet base, but there is evidence that the Vietnamese are highly sensitive about their sovereignty and the Soviets must negotiate for each increment in their forces. The visits of the Vietnamese Defense Minister to Moscow last May and June suggest Hanoi's concerns over Chinese pressure provided Moscow added leverage in augmenting their presence in Cam Ranh. Hanoi still insists that the Soviets are only allowed to "use" the facilities at Cam Ranh, and the Vietnamese continue to maintain limited numbers of their own naval forces there.

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Expanding Defense Cooperation

The Soviets provide the Vietnamese with many of the weapons and much of the training needed to defend the Sino-Vietnamese border and to dominate Cambodia and Laos, apparently as payment for access to Cam Ranh and for keeping Chinese forces occupied

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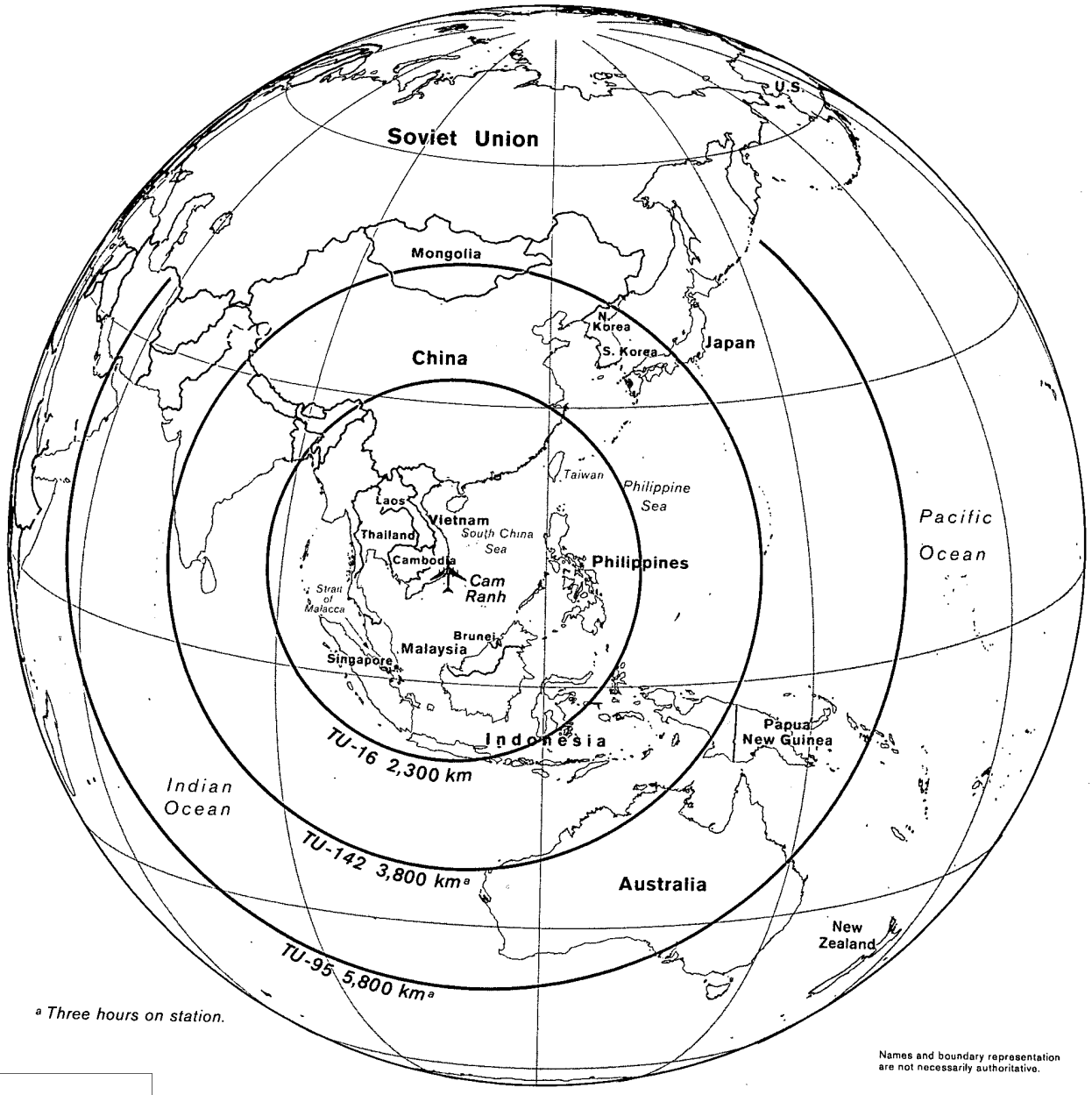
Figure 2
Soviet Naval Air Coverage From Vietnam



[a] *Three hours on station.*

Names and boundary representation are not necessarily authoritative.

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on the Vietnamese frontier. Immediately after the 1979 Sino-Vietnamese border conflict, the Soviets concentrated on upgrading the Vietnamese air and ground forces. More recently, the Soviets have been helping to modernize the Vietnamese Navy.

There is growing evidence of Soviet doctrinal influence over the organization and training of Vietnam's armed forces. An estimated 2,500 Soviet military advisers are currently in Vietnam, a contingent comparable to other large Soviet military advisory groups in Syria, Cuba, and Ethiopia.

Soviet military advisers work with Vietnamese units throughout the armed forces. For example, at least two Scud-B surface-to-surface tactical missile brigades have been created under Soviet guidance within Vietnam's artillery command since 1982 The Soviets have also assisted the three Vietnamese services in conducting large-scale joint exercises. A combined Soviet-Vietnamese amphibious exercise in the Haiphong area last spring triggered a Chinese naval response against the Spratly Islands and prompted renewed tensions on the Sino-Vietnamese border.

The Soviets have also gained some influence over Vietnamese intelligence and special forces operations, at which the Vietnamese consider themselves to excel. the Vietnamese have, under Soviet direction, established an airborne commando regiment modeled after the Soviet special forces or *spetsnaz*

Soviet advisers are reportedly present at many Vietnamese military schools, and officer training programs are now based on a Soviet-provided curriculum. The Soviets may hope that a new generation of Soviet-trained officers will make Hanoi even more amenable to Moscow's influence.

Strains in the military relationship, however, are apparent. many officers resent the extensive Soviet advisory involvement in Vietnamese military affairs. The Vietnamese are proud of their military history and tend to adopt foreign doctrine selectively, to meet their own unique circumstances. Moreover, the Soviets apparently are still reluctant to supply more sophisticated military equipment such as the MIG-23 to the Vietnamese, who are unable to pay for such weapons in hard currency. Moscow probably argues that the weapons it has provided the Vietnamese are more than a match for the Chinese. The Vietnamese also are probably resentful that the Soviets provide the MIG-23—which has become something of a status symbol in the Third World—not only to other socialist allies such as Cuba but also to African countries such as Angola.

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Trade, Aid, and Advisory Assistance

Growing political and military cooperation between Moscow and Hanoi is reinforced by close economic ties. Since Vietnam joined CEMA in 1978, it has become increasingly dependent upon the USSR. Moscow provides roughly $1 billion annually in economic aid to Vietnam, and Hanoi's outstanding debt to CEMA countries is presently estimated to be $4.5 billion. An estimated 7,000 Soviet advisers and technicians have replaced the Chinese in assisting the Vietnamese to build the dams and power stations necessary for the country's industrial infrastructure.

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The pattern of Vietnam's trade with the USSR is indicative of growing Soviet influence over the Vietnamese economy. We believe that about 75 percent of Vietnam's exports are committed to the Soviet Bloc, and the long-term economic agreement signed during First Deputy Premier Aliyev's visit to Vietnam in November 1983 apparently further cemented this arrangement. The published text of the accord indicates that, in return for continued Soviet economic assistance, the Vietnamese agreed to integrate their economy more closely with the Soviets, primarily as a supplier of raw materials and tropical crops. The Vietnamese are probably also repaying the massive debt in part by supplying some 60,000 Vietnamese workers to the USSR and Eastern Europe.

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Since 1980 the Soviets have joined the Vietnamese in offshore oil exploration off the coast of Vung Tau. Last May the Vietnamese media announced an oil

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discovery there, and the joint Soviet-Vietnamese enterprise has already stepped up its exploration and development efforts. If substantial oil reserves are found over the next few years, they will probably be used both to meet Hanoi's domestic needs and to help pay back the growing Vietnamese debt to the USSR.

Refugee reports show that Moscow is increasingly involved in Hanoi's economic policymaking. A growing number of Soviet advisers reportedly are attached to Vietnamese economic ministries and are teaching in economic management schools. In addition, many Vietnamese are studying economic planning in the Soviet Union. Moscow probably is hoping to train a new generation of Vietnamese economic planners as a way of ensuring a continued Soviet role in shaping Vietnam's economy.

Like the increasing military involvement, however, extensive Soviet involvement in Vietnam's economy, has led to problems in the relationship. Numerous reports indicate the Soviets are unhappy about the high cost of the alliance and dissatisfied with what they see as Vietnamese waste and inefficiency. During his visit to Hanoi last year, Aliyev made pointed reference to past problems in Vietnamese use of aid and to sacrifices made by the Soviet people in providing assistance.

The Vietnamese, for their part, complain about the amount and terms of Soviet aid. The Soviets reportedly provided food aid to Hanoi from 1979-80 on concessionary terms, but since 1981 they have required payment in hard currency. The situation may be exacerbated if the Vietnamese, faced with a possible rice shortage as a result of additional bad weather this year, are compelled to ask the Soviets for additional food assistance.

Relations With Cambodia and Laos

Growing Soviet ties with Vietnam have also led to expanded contacts with Vietnam's satellites, Cambodia and Laos. While the Vietnamese are clearly the prevailing influence in these two countries, they rely heavily upon Moscow's economic and military support to maintain their dominant position. The Soviets profit in turn by having Hanoi displace Chinese influence in Indochina.

The current arrangement benefits both Moscow and Hanoi, but there is potential for friction. There is speculation among Western diplomats and academics that the Vietnamese are not entirely pleased by the growing Soviet involvement in Vientiane and Phnom Penh. The Soviets have established a degree of direct influence in those countries by such means as training Khmer and Lao military and economic personnel and building party-to-party ties. Approximately 2,000 Cambodian students who have been studying various disciplines in the USSR are reportedly returning home next year. Moscow's willingness to send Vladimir Dolgikh, a candidate member of the Politburo, to Laos and Cambodia as well as Vietnam last month underscores the importance it attaches to developing direct relations with Vientiane and Phnom Penh. 25X1 25X1

The Soviets are likely to move slowly in establishing an independent position in Cambodia and Laos. Their efforts will be hindered in the near term by the Vietnamese domination of the current leadership in both Phnom Penh and Vientiane. Moreover, the Soviets would not want friction with Hanoi over their relations with Cambodia and Laos to jeopardize the far more valuable strategic inroads afforded by their use of Cam Ranh Bay. 25X1 25X1

Outlook

Despite signs of friction, recent trends suggest that Soviet political, military, and economic influence over Vietnam will continue at a high level. Hanoi realizes Moscow is likely to be the only source of aid available to sustain its occupation of Cambodia. 25X1 25X1

The recent fighting along the Sino-Vietnamese border and the subsequent Chinese buildup have probably strengthened the position of those within the Vietnamese leadership promoting greater defense and economic collaboration with the Soviets. As long as the current Vietnamese leadership—which is preoccupied with the China threat—stays in power, the fierce Vietnamese nationalism that fuels Soviet-Vietnamese tensions will probably be kept under control. 25X1 25X1 25X1

Support for Vietnam entails some costs for the Soviets not only in economic terms but also as a major impediment to improved relations with China and the non-Communist countries in Southeast Asia. Nonetheless, Moscow probably calculates that the economic costs are offset by the considerable strategic benefits it derives from the alliance. It has become increasingly evident over the past year that the renewed Sino-Soviet dialogue will not produce the kind of results that could jeopardize the Soviet-Vietnamese relationship. The Soviets may believe that concerns among the ASEAN states over their support for Vietnam will dissipate over the long run and that their expanded military presence will eventually compel regional leaders to give greater weight to Soviet interests. We believe it is more likely, however, that such efforts will lead those countries to seek further means of counterbalancing Moscow's attempts to wield increased influence in the region.

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USSR-Japan: Economic Relations Stalled

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Declining bilateral trade and a lack of new large-scale resource development projects in Siberia are the outward signs of a slump in Soviet-Japanese economic relations. The Soviet trade deficit with Japan, declining Japanese demand for Siberian resources, and the chill in political relations have created obstacles to closer economic ties. The Soviets continue to signal their interest in loosening the economic logjam, however, and Japanese negotiations for resource development projects in the western USSR probably will produce some major contracts. Moscow's hardnosed approach to outstanding political and economic issues is likely to keep economic ties limited over the near term, but a political breakthrough—for example, agreement on a Tokyo visit by Soviet Foreign Minister Gromyko—might help move economic negotiations forward.

Trade Plummets

Since 1982, trade between Japan and the USSR has fallen substantially. Two-way trade declined from a peak of $5 billion in 1982 to $4 billion in 1983, and both Soviet and Japanese trade statistics show further reductions in 1984. The biggest factor in this has been a drop in Soviet imports from Japan. Moscow's exports, after reaching a record of almost $1.5 billion in 1980, had dropped by almost 30 percent by the end of 1982 (see table 1). A slight recovery occurred in 1983, but preliminary 1984 trade statistics indicate that Soviet exports may fall slightly this year. The decline and subsequent stagnation in exports since 1980 largely reflect diminishing Japanese demand for Soviet raw materials.

Soviet imports, on the other hand, continued to expand through 1982, when they exceeded $4 billion (see table 2). Last year, however, they fell by more than $1 billion, and trade statistics for the first half of 1984 suggest that Soviet purchases will be down by approximately 20 percent. Fluctuating imports for the Siberia–to–Western Europe natural gas pipeline are mostly responsible for the annual shifts in trade. The sharp fall in world pipe prices during the past few years also has reduced the value of Soviet imports.

Table 1
USSR: Exports to Japan

Million US $

	1970	1975	1980	1981	1982	1983
Total	**379**	**930**	**1,463**	**1,135**	**1,044**	**1,118**
Of which:						
Petroluem and petroleum products	33	94	167	175	156	181
Coal	35	152	108	79	91	102
Timber	144	342	577	368	296	311
Textile fibers	19	132	118	170	137	101

Source: Soviet foreign trade statistics.

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Table 2
USSR: Imports From Japan

Million US $

	1970	1975	1980	1981	1982	1983
Total	**345**	**1,742**	**2,730**	**2,076**	**4,038**	**2,937**
Of which:						
Machinery and equipment	119	614	885	935	1,596	1,044
Rolled ferrous metals	14	291	247	309	323	277
Pipe	21	289	524	890	1,272	743
Chemicals	33	90	236	210	188	171
Textiles	102	178	270	269	277	262

Source: Soviet foreign trade statistics.

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Large-diameter pipe, which brought about $500 a ton in 1980, is selling for only about $320 a ton today.

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Obstacles to Expanded Ties

Recent changes in the Japanese and Soviet economies have discouraged closer economic relations. The oil crisis of the late 1970s and the resultant recession caused demand for Soviet products to fall, and the prospects for a turnaround apparently are not bright. For example, Japanese electric power companies are reluctant to commit themselves to liquefied natural gas purchases from the the Sakhalin offshore oil and natural gas project. They claim their needs already are filled into the early 1990s, and requirements after that are uncertain.

Soviet-Japanese joint resource development projects consequently remain limited to those begun in the 1960s and early 1970s. Some of these have been completed, while others are on indefinite hold (table 3). Even if Japanese demand for Siberian resources were greater, several other factors discourage a larger Japanese role:

- The Soviets insist that management of the projects remain strictly in their hands.
- Many resources of potential interest to Japan are in undeveloped areas that require huge infrastructure investments before they can be exploited.
- Investment resources are in short supply in the Soviet economy, and maintaining a reliable labor force in Siberia is often difficult.

The large Soviet deficit in trade with Japan also hampers trade expansion. This deficit has averaged over $2 billion since 1980. Meanwhile, Soviet trade surpluses with West European partners have skyrocketed, leading those countries to press Moscow to import more of their goods. The trade deficit with Japan, combined with Soviet efforts to conserve hard currency resources and expand exports, has led Moscow to push counterpurchase arrangements in trade negotiations and to hint that trade expansion will depend on increased Japanese imports of Soviet products. Japanese credit restrictions and tightened technology transfer controls probably also work against expanded trade and economic cooperation.

Political Environment

The Soviet invasion of Afghanistan, martial law in Poland, the KAL shootdown, and the Soviet military buildup in the Far East have put a chill on bilateral relations. Japanese suspicions of Soviet intentions have been fueled by the SS-20 buildup in the eastern USSR and the increasingly vituperative Soviet campaign against alleged Japanese "militarism" and "revanchism." Japanese have also become increasingly vocal in insisting that Moscow return the Northern Territories. Opinion polls continue to reflect the unpopularity of the USSR with the Japanese public.

Moscow, for its part, has been quick to blame the decline in two-way trade and economic cooperation on sanctions imposed by Tokyo and has tried to convince Japanese businessmen that their government's policy has cost them economically. The Soviets continue to

Table 3
Ongoing and Proposed Joint Resource-Development Projects in East Asia

Project	Status
Komatsu-Sedov timber	Recent housing slump and lumber surplus in Japan have reduced attractiveness of project. Soviets have agreed to limit lumber shipments but wish to increase exports of processed wood products—which are unlikely to meet Japanese quality standards.
South Yakutsk coal	Japanese were to receive 100 million tons of coal over 16 years, but Soviets missed first deadline in 1983. Japan wishes to cut deliveries because of slow recovery of steel industry.
Udokan copper	Baikal-Amur Mainline (BAM) railway—essential for development of the mine—will not be fully operational until perhaps the mid-1990s. World copper market in long-term slump. Japan has resisted Soviet calls for joint venture since mid-1960s, even when world demand was greater.
Yakutsk natural gas	Although prospecting for this project was completed in 1979, development is frozen. Japanese have lost interest, and prospects for resuming talks on the project are remote.

insist that political and economic issues should not be linked and that trade and economic cooperation should proceed on their own merits.

Until very recently the Soviets appeared unresponsive to Japanese requests for a visit by Soviet Foreign Minister Gromyko, who has not been to Tokyo since 1976. They continue to reject Japanese proposals to reopen the disputed Northern Territories issue for discussion.

New Currents

Over the past few months, Moscow has taken some limited steps to create a more favorable atmosphere for better economic relations. In early October the Soviets sent an unusually high-level delegation headed by Politburo member Dinmukhamed Kunayev to renew the parliamentary exchange that has been moribund since the Soviet invasion of Afghanistan in 1979. A few weeks later Gromyko met with Nakasone at Indian Prime Minister Gandhi's funeral. The Soviets have wooed high-level local officials, such as the governor of Hokkaido, with an invitation to visit Moscow early next year. In addition, at a meeting between Gromyko and Japanese Ambassador Katori in Moscow in late November, the Soviets appeared to adopt a more moderate stance on conditions for a possible Gromyko visit.

The Soviets have also launched a campaign to convince the Japanese that the economic logjam might be loosened in the coming months:

- They have told the Japanese that Moscow intends to emphasize the economic development of East Siberia in the next five-year plan and have hinted that Japanese firms should advance detailed proposals quickly to ensure their participation.

- Members of the Kunayev delegation and Soviet press coverage of the visit stressed the importance Moscow attaches to improving economic relations,

- After protracted negotiations over a new fishing agreement, the Soviets recently yielded to the long-standing Japanese demand for a multiyear rather than annual arrangement. 25X1 25X1

There are also some tenuous signs that the Japanese may be becoming more optimistic regarding prospects for expanded trade and economic cooperation. In midsummer the Japanese component of the privately sponsored Soviet-Japanese economic committee for the first time organized a trade subcommittee. This subcommittee met in early October to discuss an agenda for the December meetings in Tokyo and recommended that the meeting's Japanese organizers prepare proposals on ways to revitalize trade in the short run and for new trade directions over the long haul. Although Japanese businessmen in the past have not pressed their government to begin negotiations for the long-term trade agreement that Moscow has repeatedly requested, their position could be reversed after the December meetings, according to the US Embassy in Tokyo. Meanwhile, officials of Japan's Ministry of International Trade and Industry (MITI) have denied Japanese press reports that Japanese financial and purchasing commitments for the Sakhalin oil and gas project will be concluded in December, but they believe that there is some possibility of an agreement on a joint feasibility study at the meetings. 25X1 25X1 25X1

Japanese firms are currently involved in a number of other project negotiations that could result in the signing of sizable contracts over the next few years (see table 4). As plans for the 1986-90 period are completed, Moscow is likely to bring a number of these negotiations to a close. While we believe Soviet interest in Japanese participation is fixed most heavily on East Siberian resource development, several of these negotiations are for facilities located in western parts of the USSR, including Tenghiz oil development projects, the Karachagansk gasfield, and the Barents Sea project. 25X1 25X1

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Prospects

Even if, as we expect, a number of major project contracts are won by Japanese firms, the near-term prospects for a substantial improvement in Soviet-Japanese economic relations remain fairly limited. Any effort to open up East Siberian resources to rapid development will be hindered by the slow progress the Soviets have been making in getting the Baikal-Amur railroad into full operation. The infrastructure development necessary for the exploitation of the region will take even longer.

Japanese businessmen participating in recent talks with the Soviets do not appear to see prospects for a sudden upsurge in economic ties. They look upon such contacts chiefly as a way of keeping a foot in the door in case participation in Soviet projects becomes more attractive. it is chiefly the East-West trading sections of the large Japanese trading companies that are pushing optimistic assessments of Japanese-Soviet trade prospects, largely out of self-interest.

Moscow's approach to the political and economic issues that affect bilateral trade is likely to limit any expansion of Soviet-Japanese economic ties. Moscow's insistence on counterpurchase arrangements and favorable credit terms present formidable obstacles, given Japanese reluctance regarding such requests. For example, in coastal trade the Soviets are now insisting that trade balances be maintained for each Japanese trading company involved rather than for the total of all bilateral coastal trade as previously. The Japanese press reports that the Soviets are also demanding that the large Japanese trading companies dramatically increase their purchases of Urals crude oil at a time when demand worldwide and within Japan remains weak

On the political front, the Soviets as yet have given no sign that they are willing to move on the Northern Territories issue. This limits the room Nakasone and Japanese Foreign Minister Abe have to maneuver on matters affecting economic relations. If, however, Moscow moves to realize a Gromyko visit to Tokyo, the Japanese might be willing to temporarily mute public expression of dissatisfaction over the Northern Territories issue or to begin talks about a long-term economic agreement as Moscow has requested.

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USSR-Philippines: Soviet Policy Since the Aquino Assassination

Cultivating the Marcos Regime

Since the mid-1970s Moscow has aligned itself with the Marcos regime and withheld support for the growing opposition movement in an attempt to expand its representation in the Philippines and reduce US influence. The strategy has yielded Moscow some modest successes:

- The size of the Soviet mission in the Philippines has steadily grown. There now are approximately 70 Soviet officials assigned to the Embassy, trade mission, and cultural center, four Soviets working in a joint shipping venture, and four correspondents representing Novosti, Pravda, TASS, and Izvestiya.

- Marcos is the only current ASEAN head of state to have visited the Soviet Union. He traveled to Moscow in 1976 when diplomatic relations between the two countries were established.

- First Lady Imelda Marcos, who appears susceptible to Soviet flattery, has strongly supported expanded economic and cultural relations.

- Manila is the only ASEAN capital to have signed cultural agreements with the USSR. These agreements allow the Soviets to promote a largely one-sided and increasingly active cultural relationship with the Philippines.

- Manila has supported some nonaligned positions at the United Nations that are similar to or identical with Soviet policies.

In an effort to curry favor with the regime, the Soviets have given Marcos favorable propaganda coverage and made a series of low-key initiatives to expand contact with influential officials. They have attempted to negotiate a variety of economic and cultural agreements to forge a larger presence. The greater Soviet presence, in turn, has provided more opportunities for Soviet covert activities designed to monitor US activities, fuel anti-American sentiment, generate opposition to US military bases, and project a more favorable image of the USSR.

The Soviets are apparently attempting to bypass the Philippine Ministry of Foreign Affairs (MFA), the center of bureaucratic opposition to expanded relations with the USSR. According to defense attache reporting, the Soviets signed an agreement on sports exchanges with President Marcos's nephew, the head of the Philippine Olympic Committee, without proper coordination with the MFA. Parliamentary visits to the USSR have also been arranged without MFA involvement,

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Moscow's success in cultivating the regime is, however, limited by President Marcos's staunch anti-Communism and his suspicions of Soviet subversive activities. Marcos's occasional threats to "tilt toward the Soviets" have been mainly a tactical ploy to extract better terms when the basing agreements are being negotiated. He appears to encourage his wife's outspoken lobbying on the Soviets' behalf as a way of ensuring that the United States does not take Manila for granted. But Marcos has continued to follow the advice of the MFA in refusing Soviet requests for access to Philippine ship repair facilities and Aeroflot landing rights.

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Reaction to the Aquino Assassination

The Soviets have remained supportive of the Marcos regime in the wake of the assassination of Benigno Aquino and the subsequent political and economic unrest. Initial media accounts last year cited Western press reports that the ruling regime was involved in organizing the assassination, but the Soviets quickly returned to a pro-Marcos line and quoted "informed observers" in Manila who doubted opposition allegations that "ruling circles" were responsible.

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Moscow, moreover, attempted to exploit tensions between Manila and Washington generated by the Marcos regime's handling of the assassination. Soviet media drew a link between Aquino's murder and US

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intelligence services, suggesting that the assassination was the "handiwork of the CIA," designed to "create a wave of antigovernment demonstrations." The Soviets publicized foreign press reports suggesting that the United States was trying to destabilize the Marcos government because Washington was dissatisfied with Manila's trade and military policies.

Moscow has portrayed US pressure for a full accounting of the assassination as an example of American "neocolonial policies." Privately and publicly, the Soviets are accusing the United States of interfering in Philippine internal affairs. An *Izvestiya* correspondent recently claimed that the United States was using the Aquino affair to discredit the Marcos government and acting as if the Philippines were still an American colony.

The Soviets did not report on the Agrava Board reports issued on 23-24 October which implicated the military—including General Ver, the chief of the armed forces and one of Marcos's closest advisers—in a conspiracy to murder Aquino. Moscow's reticence may reflect the efforts it has reportedly been making to develop contacts within the armed forces, a powerful interest group whose support is essential to the Marcos government.

Contacts With the Opposition

While hoping to capitalize on their demonstration of support for Marcos in the short term, the Soviets are trying to establish contact with leftist forces that would, if they gained control in a successor government, favor reducing ties with Washington and restricting the US military presence in the Philippines. The fluid political situation, especially now that Marcos's health is deteriorating, allows the Soviets greater freedom to move around and touch base with opposition forces. At the same time, however, the Soviets are careful not to jeopardize their status with the Marcos government by being openly identified with the most militant members of the Communist Party of the Philippines.

The Soviets have worked closest with the pro-Soviet Communist party—the Partido Komunista ng Pilipinas (PKP)—which, because of its renunciation of violence and lack of popular support, is officially tolerated by the Marcos government. Members of a Soviet front organization, the World Federation of Trade Unions (WFTU), attempt to influence PKP activities in the labor movement. Labor has traditionally been a relatively ineffective interest group in the Philippines, but the Soviets may calculate that government austerity measures required by the recent IMF loan will breathe new life into the movement, resulting in labor unrest that will provide greater opportunity for Soviet involvement and support over the longer term. 25X1 25X1

The Soviets have reportedly established contacts with the more powerful and larger Communist Party of the Philippines (CPP), which broke away from the PKP over a decade ago. 25X1 two years ago that the CPP officials, who often travel to Europe on fundraising missions, were in contact with Soviets abroad. 25X1 the CPP was considering a Soviet offer of logistic support. 25X1

The Soviets are likely to contact the CPP through its National Democratic Front (NDF), which operates in the relatively open urban environment. The Soviet Cultural Center in Manila serves as a meetingplace between the Soviets and professors, students, and leftist lawyers—many of whom also belong to the NDF. While it is difficult to determine what influence the Soviets have within the NDF, US Embassy officers report that CPP front publications sometimes endorse Soviet international positions and attack the United States on issues totally unrelated to the Philippines. 25X1 25X1

Financial support from Soviet front groups is probably reaching the CPP, according to US Embassy officers in Manila. To date, however, we have no evidence that the Soviets are directly providing weapons and ammunition to the New People's Army (NPA), the military arm of the CPP, and there are good reasons for Moscow to withhold such direct support: 25X1

- Relations with the Marcos government would be damaged if the Soviets were caught assisting the insurgents.

- ASEAN leaders would be concerned about Soviet involvement in other Southeast Asian insurgency movements if the Soviets were supporting the NPA.

- Poverty, unemployment, corruption, and alienation from the Marcos regime have all contributed to the growing influence of the CPP/NPA—without Moscow's involvement. Although the NPA's surge in membership has apparently produced shortages of weapons and ammunition, CPP leaders have thus far resisted establishing relations with any foreign power for fear of compromising the independence of their "nationalist" revolution.

Moscow's support for the Marcos regime in the wake of the Aquino assassination suggests that the Soviets are unlikely to try to make overt common cause with the moderate opposition in the Philippines any time soon. So far there are no signs that the Soviets have made inroads with opposition leaders, and we do not know whether they have tried. Moscow may assume that attempting to court moderate leaders would be pointless, since most of them support close ties to Washington despite their opposition to Marcos.

Fueling Anti-American Sentiment

The Soviets are seeking to fan anti-American sentiment through propaganda, covert activities, and especially the activities of the PKP and its front organizations sponsored a seminar at the prestigious University of the Philippines last November, involving the participation of the East German Ambassador and Soviet correspondents, which was highly critical of American bases in the Philippines. The PKP has also participated in rallies in front of the US Embassy denouncing the military bases. We expect that as antigovernment demonstrations grow in size and frequency the Soviets will try to encourage the PKP and its front groups to mobilize unhappiness over American support of the Marcos regime into opposition to the continued presence of US military facilities.

The Soviets were apparently behind a bogus USIA questionnaire that recently appeared in Manila and other ASEAN capitals. The questionnaire requested that the addressee respond to probing and personal questions and was apparently designed to generate negative feelings toward the United States.

The Philippine media are a priority target for Soviet intelligence operations. The Soviets are active members of the Manila Overseas Press Club, and last year a Soviet correspondent served as president. Soviet Embassy representatives are increasing social contacts with local media personnel to ease the way for TASS and Novosti placements in the most influential Manila papers. Over the past few years, the Soviets have made increased use of the editorial and feature pages in the *Manila Evening Post* and the *Metro Manila Times* for articles criticizing US policy and providing favorable coverage of Soviet society and government. 25X1

The Soviets apparently believe that Philippine nationalism is a potentially explosive issue and are making plans to take advantage of it. Moscow is accusing the United States of interfering in Philippine domestic affairs, at the same time that Soviet officials are trying to demonstrate that they respect Philippine nationalism. According to sources of the US Embassy in Manila, there is an increased emphasis in the Soviet Embassy on learning more about the local culture and the Tagalog language. 25X1

Outlook

The Soviets regard the Philippines as one of the most important long-term targets of opportunity in Southeast Asia. They undoubtedly realize that they face serious obstacles in the Philippines, including the pro-US sentiment among the majority of Philippine people, and their efforts are likely to remain careful and calculated. US Embassy officers in Manila report that thus far neither Moscow nor the radical forces have been successful in translating the current unrest into widespread antagonism toward Washington. The Soviets probably hope, however, that deteriorating economic and political conditions will ultimately work to undermine the US position. 25X1

While the Soviets are courting Marcos, they are undoubtedly preparing for a post-Marcos government. They are aware that his position was permanently eroded by the Aquino assassination and that poor health could also force him suddenly from office. There is no successor apparent, and a smooth transition to new leadership is unlikely. 25X1

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The Soviets probably hope that Marcos will be succeeded by his wife; they have actively courted her and probably anticipate that she would improve relations with the USSR. The prospect of a durable dynastic succession has declined considerably since the Aquino assassination, but there is no indication that Mrs. Marcos's succession ambitions have abated, and she is likely to play an important role in the post-Marcos period. 25X1

A military takeover is a growing possibility, and the Soviets have been trying to improve their access to the armed forces. If senior military officers—who are largely pro-US in their outlook—take charge, the military would probably continue to look to the United States for support. A military coup by more junior officers, however, could mean a shift to a more nationalistic foreign policy and possibly greater willingness to seek Soviet assistance. 25X1

The Soviets probably expect that the opposition movement will play an increasingly prominent role in the months ahead. They are already building influence with leftists and will try to assist the radical elements to gain the upper hand in order to prevent the pro-US moderates from gaining power when Marcos does leave the political scene. 25X1

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Other Topics

The Significance of Marshal Akhromeyev's Appointment

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The choice of Marshal Sergey Akhromeyev to succeed Marshal Nikolay Ogarkov as General Staff Chief thus far has signaled no major change in the direction of Soviet military policy. The evidence suggests that Akhromeyev has basically shared Ogarkov's orientation on military matters. There have been differences in emphasis between the two on some significant political-military issues such as "no first use" of nuclear weapons, however, and Akhromeyev—like the newly appointed Defense Minister Sergey Sokolov—has appeared less independent than Ogarkov and more supportive of party policy decisions. Thus, Akhromeyev's advancement may lessen the potential for friction between civil and military authorities.

AP ©

Marshal Akhromeyev

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Policy Preferences

For 10 years Akhromeyev was a direct subordinate of the General Staff Chief (as a deputy from 1974 to 1979 and then as a first deputy until his promotion this year), and it would have been inappropriate for him publicly to advance opinions beyond officially sanctioned General Staff policy. On the other hand, during this period he presumably was free to support arguments Ogarkov advanced in favor of particular policies. To a considerable degree, then, the extent to which Akhromeyev has agreed or disagreed with Ogarkov on policy questions must be inferred by the enthusiasm with which he endorsed Ogarkov's positions.

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Basically, Akhromeyev, like Ogarkov, has a General Staff perspective on military policy. Both men have been concerned chiefly with the Soviet Union's ability to fight and win a major war against the United States and NATO. Both have evaluated this confrontation in broad terms entailing the overall coordination of Soviet military forces as well as the social, scientific, economic, and political mobilization of society to support them. This perspective is different from the one held by officers who have risen to prominence as troop commanders. These officers tend to have a

narrower focus on military requirements and show less interest in overall defense requirements and in the societal and economic base of support for a strong defense.

No First Use. Despite this common orientation, Akhromeyev has been no mere echo of his former chief. One example is the issue of "no first use" of nuclear weapons. Since June 1982, when General Secretary Brezhnev publicly committed the Soviet Union to this policy, and coinciding with the public Soviet campaign to stop NATO INF deployments, there have been signs of controversy over the policy within the military hierarchy. Former Defense Minister Ustinov took the lead in defending the utility of the pledge for the military audience. In contrast to Ustinov and many other political and military leaders, Marshal Ogarkov largely ignored the pledge throughout this period, mentioning it only late in the year, and then simply as evidence of a peace gesture ignored by the West.

Akhromeyev's position on this issue appears to be much closer to Ustinov's. In December 1982 and June 1983, he promoted the pledge in wording almost identical to that used by Ustinov, emphasizing that the "no first use" commitment would in no way upset the defense capability of the Soviet Union:

> *When the Soviet state adopted the commitment not to be the first to use nuclear weapons, the Soviet people and the people of other socialist countries asked: Will this commitment not upset the defense capability of the Soviet Union? . . . We have already answered this question. . . . I can only repeat—no.*

Akhromeyev's adherence to Ustinov's position on this issue suggests a shared awareness of the political value of the pledge in undercutting popular support in the West for US and NATO programs. While it is unlikely that members of the military hierarchy viewed the pledge as a genuine operational constraint on Soviet forces, some, including Ogarkov, may have been concerned that such a pledge would be viewed by the United States and NATO as a sign of restraint or weakness and might have a negative impact on morale within the Soviet military.

Military Modernization. Akhromeyev does not appear to share Ogarkov's preoccupation with making a public case for keeping pace with the United States in developing and fielding advanced weapons and integrating them into Soviet strategy and tactics. Ogarkov in May 1984, for example, decried as a potentially "serious mistake" the possibility that the Soviets might not push adequately the development of "previously unknown types of weapons based on new physical principles." While Akhromeyev acknowledges that it is the responsibility of the military to address the need for technological changes, he does not display Ogarkov's intense concern over the issue and has stressed the sufficiency of modern equipment supplied to the armed forces.

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Military-Economic Mobilization. Both Akhromeyev and Ogarkov recognize that the maintenance of a strong military is intimately connected to the overall health of the economy. They have been more inclined than some other high-level officers—such as Ground Forces Commander in Chief Vasiliy Petrov and Warsaw Pact Commander in Chief Viktor Kulikov—to acknowledge that resource allocation decisions for the military must take into consideration long-term requirements for the economy.

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Nonetheless, Ogarkov and Akhromeyev appear to part company as to what economic measures, if any, are needed to prepare the Soviet Union for war. Ogarkov has forthrightly argued that certain economic provisions are needed:

> *In this connection a constant quest is needed in the sphere of improving the system of production ties of enterprises producing the main types of weapons, of enhancing, in the event of war, the autonomy of production enterprises in terms of energy and water supplies, of completely providing them with the necessary stocks, and of creating a reserve of equipment and materials.*

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Akhromeyev's writings exhibit less concern about such measures. In December 1982 he wrote in praise of the resiliency of the Soviet economy and implicitly suggested that putting the German economy on an early war footing had not helped Germany in World War II:

> *In the exceptionally difficult conditions of the beginning of the war the Soviet Union needed only about a year to switch its economy onto a war footing, whereas the German economy had been switched to a military footing for many years preceding the war.*

Akhromeyev's attitude on this issue may reflect a more sanguine appraisal of Soviet military capabilities to deal with current military threats. Although Akhromeyev's public record places him in the chorus of military and political leaders who have publicly expressed the view that there is an increased danger of war, he has not been—as Ogarkov has—in the forefront on this issue.

Arms Control. Akhromeyev's views on arms limitation issues are probably based primarily on military considerations. He has been a frequent and orthodox spokesman for official Defense Ministry positions. Nonetheless, he may be more flexible in this area than some other military and civilian leaders. In 1983 he reportedly told some US Congressmen that the Soviets might be willing to reconsider the "walk in the woods" formulation on intermediate-range missiles, although officially the Soviets had rejected it. moreover, Akhromeyev's promotion to General Staff Chief will strengthen Ustinov's ability to obtain the military hierarchy's concurrence on Soviet arms control proposals.

In sum, although there are no signs that Akhromeyev has disagreed with Ogarkov on questions of military strategy, there are signals that on some major political-military questions—such as "no first use" and national economic priorities—he has allied himself more closely with Ustinov.

Relations Between the Military and the Party

Akhromeyev's tendency, so far, to support official policy positions down the line suggests that he is less inclined than Ogarkov to inject himself into the political arena. many of his colleagues believe that Akhromeyev has an inbred reluctance to get involved in political matters. Other evidence, cited below, indicates that he may be more inclined than Ogarkov to stress the primacy of party control over the military and to accept party authority in deciding on wartime command and control arrangements. 25X1

For years Ogarkov stressed the importance of preparing the USSR for a smooth and rapid transition from a peacetime to a wartime environment. He especially emphasized the role of the State Defense Committee (GKO) during wartime and the necessity of constituting the national political and military command leadership before hostilities commence: 25X1

> *The concentration of all forces to attain the set goals, taking into account the greatly altered conditions of modern warfare and the complexity of mobilization deployment, is impossible without a stable system for the centralized leadership of the country and the Armed Forces. We have definite experience in this respect. The State Defense Committee created during the Great Patriotic War and the defense committees in the frontline zone cities fully justified themselves. Quite naturally we must take this experience into account.* 25X1 25X1

Many analysts argue that the GKO setup is already embodied in the Soviet Defense Council. Nevertheless, drawing attention to the GKO's importance may be controversial because it implies a desire to emphasize the role of the Defense Council, possibly at the expense of the Politburo. Like Ogarkov, Akhromeyev exhibits awareness of the need to be prepared for a rapid transition to a wartime command structure, but in his writings he has not ventured into any discussion of the central political authority of the GKO. Instead, as Ogarkov has now done for the past two years, Akhromeyev has confined his remarks to the more strictly military functions of the military Supreme High Command (VGK) and has made clear its subordination to the wartime political authority. Like Ogarkov, Akhromeyev looks to the experiences of 25X1 25X1 25X1 25X1

World War II to make his points, but, unlike Ogarkov, he explicitly notes the accountability of the military leadership for the disarray of the initial period of the war:

> *Prior to the start of the Great Patriotic War there were also shortcomings . . . we had still not developed a complete theory for the initial period of a war in a form which would correspond to the state and capability of the weapons of those times and the experience of military operations in the West. At that time we should have realized that Germany could initiate a war against the Soviet Union by surprise . . . the reasons behind the errors were both of an objective and subjective nature. A portion of them occurred because the military leaders had not studied the nature of war and the combat capability of the probable enemy with sufficient profoundness.*

In general, Akhromeyev has demonstrated an aptitude for accommodating himself to the wishes of higher authority, whether military or civilian. Over the years he has proved that he is able to get along with strong-willed superiors. Besides Ustinov and Ogarkov, at one time or another he advanced while working under Marshals Petrov and Kulikov and under the late Marshal Grechko.

Candidates for First Deputy Post

Akhromeyev's promotion will precipitate additional personnel changes in the General Staff. Specifically, Akhromeyev's former post of first deputy chief must be filled. Army Gen. Valentin Varennikov, currently a first deputy himself and chief of the General Staff's Main Operations Directorate, is best placed for this move. Varennikov, however, has been closely associated with Ogarkov on some key issues. For example, he wrote a 1983 *Pravda* article praising Marshal Tukhachevskiy's emphasis in the 1930s on military preparations in peacetime, reliance on the latest technology, and preparedness for a surprise attack—favorite themes of Ogarkov. Varennikov's identification with Ogarkov may have hurt his promotion prospects. If so, the other incumbent first deputy chief of the General Staff, Army Gen. Anatoliy Gribkov, would be a prime contender to succeed Akhromeyev.

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Soviet Views on the "European Defense" Movement

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Historical fears of German militarism and anxiety over Bonn's more activist stance on European issues have apparently prompted recent Soviet protests against efforts to revive the long-moribund Western European Union (WEU). Moscow's concern has centered on the long-range political implications of West Germany's role in any security arrangement separate from NATO. At the same time, some Soviet spokesmen appear to hope that the trend toward European "self-assertiveness" will eventually complicate NATO defense planning, especially if leftwing governments should come to power in Western Europe.

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West European Assertiveness

Sentiment for increasing Western Europe's role in the Western Alliance has grown markedly over the past few years, especially in France and West Germany. The trend has been fueled in part by differences with Washington over political and economic strategy toward the Soviet Union and by the domestic political fallout from last year's INF debate. The West European Allies have been increasingly interested in coordinating their defense policies, in order to be more assertive in the NATO alliance, and in encouraging joint production of arms and equipment, primarily to boost their economies. West German leaders, while insisting that nothing should be done to undermine NATO solidarity, have made it known that they believe the time is right for closer West European political and security cooperation.

This sentiment within Western Europe has led to some revitalization of the (WEU), the seven-member [1] organization formed in 1954 to provide a framework for and to monitor postwar restrictions on West German rearmament. Although the WEU has served mostly as a forum for political consultation, its members, led by France, have tried in recent years to make it into an effective mechanism for coordinating West European foreign and defense policies. The French have agreed to Bonn's request to lift remaining WEU restrictions on West German conventional armaments production in exchange for West Germany's support for revitalizing the organization. In conjunction with these moves, Paris and Bonn have also stepped up bilateral defense cooperation, most noticeably in the area of joint armaments production. At the annual Franco-German summit last May, the two countries reached final agreement on joint production of an antitank helicopter and made further progress toward joint development of a military observation satellite.

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Soviet Criticism

The USSR typically has been critical of any proposals for enlarging or restructuring the European role in Western defense plans, whether within or outside NATO. Soviet media, for example, criticized former US Secretary of State Henry Kissinger's plan last winter for restructuring NATO. The plan included proposals to name a European to the post of Supreme Allied Commander, Europe (and an American to the post of NATO Secretary General), give Europe major responsibility for conventional ground defense, and "Europeanize" Western delegations to arms control negotiations involving weapons stationed in Europe.

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The developments in the WEU appear to have heightened Moscow's concern. The Soviet media have given increased attention to the issue and during the summer began a full-fledged propaganda campaign against it. Although initial criticism focused on France—a 1982 Soviet journal article said that France wants to turn the WEU into its own "militaristic forum"—Soviet commentary this year has increasingly emphasized the role that West Germany might play in any new or refurbished European defense organization. Moscow has charged that Paris and Bonn are seeking to form a military "axis" around which a new European defense mechanism would revolve.

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[1] The members of the WEU are France, Great Britain, West Germany, Belgium, Italy, the Netherlands, and Luxembourg.

The Soviets have also applied diplomatic pressure on West Germany and its allies. When the WEU executive council voted in late June to give Bonn the right to produce long-range offensive weapons, including land-based missiles and aircraft, the Soviet Government delivered a memorandum to the West Germans protesting the decision and made related statements to the other members of the WEU and to the United States. The demarche, which TASS publicized two days later, alleged that the WEU decision would allow West Germany to pose a "threat to the security not only of its neighbors, but also of distant states" and warned Bonn that "negative consequences" would inevitably arise if it produces its own long-range offensive weapons.

Moscow sought to characterize the problem as a postwar, four-power issue—declaring that the WEU decision on German arms production contradicts the 1945 Potsdam Agreement signed by the USSR, the United Kingdom, France, and the United States—and demanded that the Western powers take responsibility for controlling their ally and preventing a revival of the German threat. The Soviets subsequently added unspecified public and private warnings that Moscow would act "independently" if the Western powers do not act collectively with the Soviet Union.

Soviet Motives

Political. The Soviet reaction to the European defense movement illustrates Moscow's perennial dilemma in weighing the costs and benefits of driving wedges between Washington and Western Europe. Moscow historically has searched for opportunities to exploit divergencies between the United States and Western Europe and frequently advocates greater West European independence from Washington. At the same time, Moscow has long been wary of "Europeanist" alternatives to "Atlanticism." In the 1950s the Soviets vehemently opposed the creation of a European Defense Community (EDC)—a plan for West European military integration that was ultimately vetoed by the French—largely because of concern over West Germany's potential role in the organization. Moscow was similarly sour on the more successful European efforts to promote political and economic integration, again fearing that West Germany could emerge as the leader of a "third force" in international politics.

The possibility that a reduced US role in Europe could lead to an enlarged West German role may also have influenced Moscow's decision in the early 1970s to agree to multilateral negotiations on conventional force reductions in Europe. At the time, political pressure in the US Congress was mounting for a unilateral reduction of US troops in Western Europe. 25X1

The WEU's revival evidently has again raised Soviet alarm over the potential role of West Germany. This concern has been fueled by the initial deployments of US intermediate-range nuclear missiles on West German soil and Bonn's aggressive pursuit of closer ties with East Germany. According to the US Embassy in Moscow, candidate Politburo member Boris Ponomarev and prominent Central Committee official Vadim Zagladin raised these concerns in July with visiting Social Democratic Party (SPD) arms control expert Egon Bahr. Zagladin reportedly portrayed West Germany as leading the WEU revitalization effort and compared the effort to the EDC campaign of the 1950s. Referring to the WEU's June decision to lift remaining restrictions on West German arms production, he said that, although the military consequences of the move were not yet visible, Moscow was troubled by its "political" implications, an apparent reference to the likelihood of an enhanced West German role in West European defense decisions. 25X1 25X1

In the longer term, the Soviets apparently are worried that the incremental erosion of formal Western constraints on West German military power could give Bonn freer rein to pursue political ambitions. According to the US Embassy in Moscow, a group of Soviet European specialists told some visiting Americans in early August that they were very concerned about West Germany's military potential. They expressed fears that a reduced US involvement in European defense could unleash a host of problems for Moscow, including the possibility of German reunification and pressure on the unity of the Soviet Bloc. 25X1

On the other hand, some Soviet spokesman have portrayed recent West European defense cooperation efforts in a more favorable light, seeing potential

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opportunities to exploit US–West European differences. For example, *Izvestiya* political observer Aleksandr Bovin, who has served as a Central Committee adviser and a leadership speechwriter, has at least twice publicly characterized European defense integration efforts as an "interesting" attempt by West Europeans to assert their independence. On a domestic radio discussion program in early July, Bovin argued that West Europeans were beginning to have doubts about the reliability of the US nuclear defense guarantee. His colleague on the program, Central Committee consultant Nikolay Shishlin, added that the WEU decision on West German arms production had produced "very mixed feelings" in the United States because of the potential challenge to the US weapons industry.

Military. The Soviets have also voiced alarm at the possibility that Bonn might be given "dual key" access to French or US nuclear missiles or might participate in a new version of the aborted Multilateral Nuclear Force plan of the 1960s. A *Pravda* commentator this summer wrote, "It is obvious that some people in the FRG are scheming to get their hands on nuclear missiles through the 'crack' that could appear in the form of the WEU." In September Gen. Nikolay Chervov, a Soviet General Staff arms control spokesman, told a visiting West German SPD delegation that NATO's decision to place a West German general in charge of nuclear planning was evidence that Bonn was moving closer to acquiring nuclear weapons.

Apart from its long-range concerns about West Germany, Moscow is undoubtedly troubled by any development that enhances the fighting power of the West as a whole. Thus, to the extent that West European defense cooperation fosters standardization of weaponry, efficient use of Alliance resources in armaments production, and coordinated defense planning, Moscow would naturally oppose it. More important, the Soviets would almost certainly be displeased by any development that strengthens Western Europe's commitment to increase defense spending and improve conventional weaponry.

Possible Responses

It is clear that, at present, Soviet authorities have decided that West European defense integration does not serve Moscow's interests and wish to retard its further development. For now, Moscow seems content to limit its response to diplomatic and propaganda pressure. Moscow's stated intention to act independently to prevent a new German threat was probably meant to justify its unilateral protest to the West German Government and to generate uncertainty in Western capitals as to what further measures it might take in retaliation. 25X1

In the near term the Soviets are most likely to concentrate on exerting pressure against Bonn in 25X1
hopes of reinforcing domestic opposition to the cur- 25X1
rent government's security policies. In particular, Moscow could hope to appeal to the opposition SPD, which opposes US INF deployments and calls for the "denuclearization" of West Germany's defense.

The Soviets will probably continue their harsh attacks on alleged West German militarism and revanchism in hopes of creating both internal and external pressures on Bonn to reconsider its more assertive policies. The tactic has already been used with some success to curb Bonn's aggressive pursuit of closer ties to East Germany. Beyond propaganda bluster, however, the Soviets are unlikely to take steps that would damage 25X1
their own substantial political and economic equities 25X1
in West Germany. 25X1

As for West Germany's allies, the Soviets have fewer levers to manipulate. Thus far, they have relied on 25X1
propaganda and diplomacy to press Washington, London, and Paris to tighten Allied reins on Bonn. Indeed, General Secretary Chernenko raised the issue of alleged West German revanchism directly with visiting British Foreign Secretary Geoffrey Howe in July and voiced concern that revitalizing the WEU could give Bonn access to nuclear weapons. By expressing such fears privately to the Allies, the Soviets may be trying to exploit lingering skepticism about the value and wisdom of refurbishing the organization. 25X1

In the longer term, the Soviets may be tempted to risk an escalation of East-West tensions if they perceive 25X1
the West German role in West European defense

planning to be expanding significantly. This would be especially true if US-Soviet arms control negotiations fail to improve the broader East-West atmosphere. Moscow might then try to exploit West German vulnerabilities more aggressively, particularly in the sphere of intra-German relations and, possibly, Berlin.

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Moscow could eventually come to take a more benign view of European defense cooperation, however, if it proves to exacerbate differences within NATO and complicate the coordination of Allied defense planning. Those who appear to hold this view, such as Aleksandr Bovin, also have publicly voiced optimism that the shift to the right in West European politics of recent years will eventually be reversed, bringing into power leftwing governments that will substantially modify security policies. These Soviets may hope that a more unified Western Europe could eventually work to Soviet advantage if its leaders are committed to detente and arms control, opposed to reliance on nuclear weapons for West European defense, and reluctant to raise spending levels for conventional defense. Meanwhile, the Soviets will undoubtedly continue to exploit opportunities for leverage with West European opposition parties, especially the West German SPD, in hopes that they will hinder the implementation of current West European security policies and eventually change them more to Moscow's liking.

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Moscow and the Third World: Reflections on Gromyko's UN Speech

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From the early 1970s through 1982, Gromyko's annual address to the UN General Assembly focused increasingly on Third World issues, partly in recognition of the growing weight of the less developed countries and partly in response to differences with the United States over regional developments. This year's address, however, was largely devoted to US-Soviet bilateral and arms control issues. Gromyko explained this preoccupation with US-Soviet affairs by observing that "there is much truth in the statement that the international situation is directly contingent upon the state of Soviet-US relations."

While it is tempting to speculate that Gromyko's remarks suggest a shift in Soviet priorities, it seems more likely that they reflect Soviet perceptions of the current international situation. Nevertheless, Gromyko's low-key treatment of regional issues and failure to pledge new aid may signal Moscow's frustration with developments in the Third World and a growing recognition of the need for consolidating—rather than expanding—Soviet commitments.

The Speech

Gromyko's brief review of Third World issues, roughly one-sixth of the speech, stood in contrast to his last UN presentation in 1982, when such topics took up one-half of the text. (Gromyko did not attend the 1983 General Assembly, which occurred just weeks after the KAL shootdown.) This year's comments on the Third World were perfunctory, even on such regions of direct security interest to the USSR as China and the Middle East. The speech was less optimistic and more guarded in terms of Moscow's commitment to the Third World than previous ones, a development all the more surprising given Gromyko's largely Third World audience.

The sequence in which Gromyko discussed Third World topics differed from that of his 1982 address in that Central America and Cuba were discussed first, rather than last. Otherwise, the order was the same—Middle East, Afghanistan, Southeast Asia, China, and southern Africa.

Central America thus dominated the Third World section of Gromyko's address for the first time. He assailed the "act of banditry" against Grenada, "gross interference" in the internal affairs of El Salvador, and "military and economic threats against Cuba and Nicaragua." He applauded Cuban and Nicaraguan efforts—and those of the Contadora group—to reach a settlement in the region and indicated that the Soviets would increase efforts to insinuate themselves among the Contadora members.[1]

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The Middle East received surprisingly short shrift. In his 1982 speech, Gromyko spoke at great length on the Middle East situation, broaching the Palestinian issue, Lebanon, and the Iran-Iraq war. This year he predictably attacked US-Israeli cooperation and praised repackaged Soviet peace proposals for the Middle East. This shift in emphasis probably does not signal a change in overall priorities as much as a Soviet calculation that US policy on Central America is more vulnerable to Third World criticism than US policy on the Middle East or the Persian Gulf. There was no mention of the Palestinian question or the Palestine Liberation Organization. This probably reflects Moscow's desire to remain above internecine PLO feuding and Syrian-PLO differences. Gromyko did, however, meet with Arafat in East Berlin on 6 October at the latter's request.

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Gromyko made no mention of other Third World liberation movements, such as the South-West Africa People's Organization and the African National Congress. Gromyko referred to the South African hold on Namibia as a "doomed anomaly," and stated that the "Namibian peoples would undoubtedly achieve independence."

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[1] TASS accounts indicate that Gromyko focused attention on current US policies in Central America in his talks with the Mexicans and the Indians (who currently head the Nonaligned Movement), a tack consistent with Soviet efforts to press for US acceptance of the Contadora proposals.

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While Gromyko touched on larger issues such as the Third World debt, he carefully avoided any new Soviet commitment to help resolve these problems. He underscored Moscow's limitations in this area by asserting that "the USSR, like its East European allies, will render assistance, *to the extent of its capabilities*, to newly independent states in their efforts to develop their national economies." (Emphasis added.) This formulation was first used at the June 1983 Soviet Central Committee plenum by then General Secretary Andropov and has been viewed by some as a signal of Moscow's desire to limit or at least manage better its commitments and involvement in the Third World. Cuban officials, for example, had expressed their concern over the June formulation, citing it as evidence of Soviet abandonment of the Third World in its foreign policy priorities.

Gromyko no doubt recognized that this tack would again open Moscow to criticism that it offers little real economic assistance to developing countries. To counter such charges, he repeated Moscow's call for "reductions in military budgets" as a promising way to solve development and economic problems. Nevertheless, Soviet clients such as Ethiopia, Mozambique, and Vietnam continue to complain privately about cutbacks in Soviet aid.

During his speech, Gromyko underscored a significant Soviet vulnerability in the Third World when he tabled a proposal to outlaw "state terrorism." The proposal fixed on external threats to the stability of "lawful" governments (presumably those affiliated with Moscow), reflecting Soviet concern over the need to consolidate and protect major gains made in the Third World during the 1970s. The proposal also reflects Moscow's preoccupation with counterinsurgency and terrorism in such key client states as Angola, Ethiopia, Mozambique, Afghanistan, and Nicaragua. The Soviets themselves have increasingly become the target of terrorist attacks.

Nevertheless, the "state terrorism" proposal is ironic, if not bizarre, given the fact that the Soviet constitution specifically commits the USSR to support national liberation movements—that is, revolution—in its foreign policy. In tabling the motion, the Soviets seemed to be tacitly acknowledging that they now see themselves as having a position to protect in the Third World. This view is reflected in recent Soviet academic writings which state that the USSR has entered a "postliberation era" in which priority must be given to consolidating gains and establishing institutions to promote genuine political and economic independence among the newly liberated states of the Third World.

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Gromyko's Meetings

Several of the themes in Gromyko's speech were reflected in his talks with numerous counterparts at the General Assembly. He held more than 30 bilateral talks, including some with such key Third World states as Pakistan, India, Iraq, Egypt, Israel (at Shamir's request), and Ethiopia. Gromyko also presided over a meeting of delegation heads and permanent representatives from the Bloc countries and Mongolia, Cuba, Laos, Vietnam, North Korea, Afghanistan, Angola, and South Yemen.

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Gromyko did not meet with the Syrians, Nicaraguans, or Mozambicans. The scheduled visit of President Assad to Moscow may have obviated the need for talks with the Syrians, especially since Middle East issues were not highlighting the discussions. The failure to meet with the Nicaraguans in New York suggests Moscow may have wanted to avoid any perception of coordination with or counseling of the Sandinistas. The Soviets may have been unwilling to consult closely with the Mozambicans because Maputo signed bilateral accords with South Africa in March. Moscow was kept largely in the dark during the negotiations that led to the accords.

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On Afghanistan, the major Third World problem of direct security concern to the USSR, Gromyko was direct, specific, and blunt in his talks with the Pakistanis. Indeed, the brief comment on Afghanistan in Gromyko's speech chastized "military incursions from outside" as the root problem. Nonetheless, Pakistani commentary characterized the talks as successful, suggesting that the Soviets are still employing a carrot and stick approach there.

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Conclusions

In addition to charging that the United States was responsible for regional problems and tensions, Gromyko made it clear that the USSR cannot provide solutions to Third World problems. This is not a new Soviet line; Moscow has long argued that the West—not the USSR—bears responsibility for the Third World's ills in the postcolonial era. Nor does Gromyko's posturing signal a Soviet retreat in the Third World. It does suggest, however, that Moscow may believe it can best carry out its international obligations by ensuring its own economic health rather than expanding its Third World commitments.

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Afghanistan: School for Combined-Arms Operations

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The Soviets are learning from their combat experience in Afghanistan, and some of the military lessons will have relevance beyond the confines of that conflict. In particular, the tactical experience being gained in combined-arms operations at lower echelons is reinforcing a trend emphasizing the development of the Soviet officer as an "all-arms commander." This should help make Soviet division- and army-level commanders of the 1990s more effective.

Is Afghanistan Relevant?

Although the war in Afghanistan bears little resemblance to the kind of war the Soviet Armed Forces are organized and trained to wage in Central Europe, it does constitute the first major combat experience for the Soviets since World War II. The Afghan war is being pursued on a decidedly tactical level, with most operations involving units ranging in size from company to reinforced battalion. The Soviets occasionally mount multibattalion operations and, more rarely, a major campaign such as last spring's offensive in the Panjsher Valley, which involved up to 20,000 Soviet and Afghan troops. Despite the limited scale of combat, the Afghan experience appears to have a wider relevance to the Soviet military and even to Soviet capabilities for conducting theater, front, or army operations.

The opportunity for testing, evaluating, and modifying equipment under combat conditions in Afghanistan is, of course, relevant to Soviet war-fighting capabilities elsewhere. But perhaps even more significant than the development of "hardware" is the tactical import of the Afghan war for the Soviet military. That the war is having a broad impact is clear. We know, for example, that the Soviets have commissioned studies to assess the military experience of the war. Moreover, the Soviet military press has published numerous accounts of tactical "lessons learned" from "training" activities in Afghanistan. Most of these lessons are not new or startling, and most would appear to have a broad applicability not limited to the Afghan war. The articles emphasize attack along multiple axes and the use of envelopments, air assaults, constant reconnaissance, and operations of small isolated forces. They caution against the use of stereotyped "school solutions" and call for the development of initiative in junior commanders. Soviet media have also noted that veterans returning from Afghanistan are passing along their combat experience to soldiers in school and units in the USSR.

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The Key: Combined Arms

Probably the most important thread concerning operations in Afghanistan is the combined-arms approach to the war. "Task organization," wherein units are tailored for specific combat missions by combining on an ad hoc basis motorized rifle, tank, artillery, engineer, and other special supporting elements, has been the norm. This concept has long been a feature of the Soviet military approach and received renewed attention in the aftermath of the 1973 Arab-Israeli war. It has been reflected in the reorganization of Soviet divisions into better balanced combined-arms units (1979-80 onward); the abolition of the post of chief of Tank Troops within the Soviet Ground Forces Command (1981); the elimination of separate armored officer ranks (1984); and recent Soviet writings that continue to highlight an "all-arms" approach. The experience of the Afghan war appears to be reinforcing this trend.

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While the war in Afghanistan is only one factor stimulating the emphasis on organizational tailoring and all-arms combat, this experience could be a crucial one in the success or failure of Soviet concepts for war in other areas. As Col. Gen. V. A. Merimskiy, chief of the Soviet Ground Forces Training Directorate, notes in his recent book *Tactical Preparation of Motorized Rifle and Tank Subunits*, "tactics are the base upon which operational and strategic successes are achieved." The importance of the Afghan experience lies in the necessity (and opportunity) to require

initiative, decisiveness, independent operations, and implementation of all-arms concepts at the lower levels of command.

In the Afghan environment, battalion and company commanders are being forced to learn to employ tank, artillery, engineer, and other attached elements and to conduct operations while separated from other friendly units. Such experience, in time, should help these officers to become more effective regimental and division commanders. They will be better qualified tactically and more likely to be able to develop the kind of success that is envisaged for such concepts as the operational maneuver group.

Impact

Obviously, such effects will be a long time in working through the system. One factor is the small number of officers involved. Ground forces officers probably make up less than 10 percent of the estimated 110,000 Soviet military personnel in Afghanistan, and the standard two-year tour of duty there means that only about 5,000 officers will pass through the Afghan "school" every year. A second factor is that most of these officers are very junior—company- and battalion-level officers in the grades of lieutenant through major.

Nevertheless, the "leavening" influence of Afghanistan is already apparent to a certain extent. Army Gen. A. M. Mayorov, a former chief of the Soviet Military Advisory Group in Kabul, is now First Deputy Commander in Chief of the Soviet Ground Forces. A former 40th Army commander in Afghanistan, Lt. Gen. V. F. Ermakov, is now commander in chief of the Central Group of Forces in Czechoslovakia, while Maj. Gen. A. Slyusar, the former commanding general of the 103rd Guards Airborne Division in Afghanistan, is now commandant of the Ryazan Airborne Forces Higher Command School. Slyusar has publicly associated Afghanistan with his school's mission of training airborne forces officers.

At lower levels, too, it is apparent that the Afghan experience is likely to have, in time, a broad impact on the officer corps. Soviet press reporting frequently has highlighted recipients of awards for service in Afghanistan who have gone on to higher military studies at the Frunze or other military academies. Moreover, at least 10 officers in the grades of captain to colonel have received the Gold Star as Heroes of the Soviet Union for their accomplishments in Afghanistan. Such officers are likely to be commanding Soviet divisions and armies in the 1990s.

Potential Limitations

Apart from the time needed for the Afghan experience to be assimilated by the Soviet officer corps, there are potential problems in the application of this experience throughout the Soviet military. Many of these could be associated with the ever-present danger of learning the "wrong lessons" from the "wrong war." Fighting in Afghanistan with a specially tailored army against an irregular guerrilla force, the Soviets could be vulnerable to defining "lessons" that may be applicable to a counterinsurgency but not to high-intensity conventional or nuclear combat. The absence of any insurgent air threat and the relatively benign air defense environment in Afghanistan could lead the Soviets to draw conclusions potentially detrimental to their combat effectiveness in a more conventional war. Likewise, in a NATO–Warsaw Pact conflict, the Soviets would not have the absolute superiority in armor, modern artillery, and air mobility that they enjoy in Afghanistan.

Other limitations in trying to adapt Afghan lessons forcewide might include:

- Problems of scale: extrapolating from a limited war in Afghanistan to a much larger potential conflict against NATO.
- Problems of type: extrapolating from what in essence is a static war in Afghanistan to the war of rapid movement the Soviets envisage for a campaign against NATO.
- Problems of geography: applying experience gained in a sparsely populated, desert-mountain area to the highly urbanized environment of central Europe.
- Problems of effectiveness: implementing successfully the relevant lessons given the frequently demonstrated inefficiencies of the Soviet military.

Outlook

On balance, however, we judge that their tactical experience in Afghanistan should serve the Soviets well in their attempts to organize and train a more effective combined-arms force. Soviet military press criticism of training at company and battalion levels highlights many weaknesses that should be susceptible to correction based on experience gained in Afghanistan. These include the failure to use terrain properly, ineffective use of attached and supporting artillery, and the inability of junior commanders to integrate all the combat capabilities at their disposal. Improvement should occur both on the individual level as officers serve in Afghanistan and on the institutional level as more senior personnel are able to integrate Afghanistan's "lessons" into training at military academies and in combat units. This process will be a slow one for reasons previously indicated, but the lack of significant progress in the war to date suggests that the Soviets will be "studying" in the "Afghan school" for a long time to come.

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Mongolia's New Regime: Likely Policy Directions

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The sudden ouster of Mongolian strongman Yumjaagiyn Tsedenbal from his party and governmental posts on 23 August has had little immediate impact on Ulaanbaatar's foreign or domestic policies, although it marks the end of an era for the Communist regime there. Supported by the Soviets and devoted to their interests, Tsedenbal had ruled the People's Republic of Mongolia (MPR) with an iron grip after purging the top leadership of nationalistic—and reportedly pro-Chinese—elements during the early 1960s. His colleagues in the leadership may have taken the initiative to remove him, but the final decision had to be vetted in Moscow. The new regime, headed by Jambyn Batmonh, has emphasized the need for more vigorous efforts to promote economic growth but has not abandoned the basic policy directions of the past two decades. Batmonh's first official visit to Moscow, in late October, provided early evidence that Ulaanbaatar will continue to parrot Soviet foreign policy and may become even more closely tied economically to the Bloc.

Tsedenbal's Removal

Official accounts gave poor health as the reason for Tsedenbal's removal, but the circumstances suggest that the move was politically inspired. He was last seen on 26 July, when he left Ulaanbaatar for his annual summer vacation in the USSR. He evidently did not attend the "extraordinary plenum" of the party's Central Committee on 23 August, which relieved him of his duties as party general secretary and Politburo member. A special meeting of the national legislature later that day released him from his responsibilities as the nation's chief of state and chairman of its defense council.

Although illness probably was not the primary reason for the 67-year-old leader's removal, it may have been the precipitating factor.

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But health problems alone, in our view, would not have necessitated stripping him of all his offices. He could have been allowed to retain his seat on the Politburo and his governmental posts—which remained vacant until mid-December—if only his physical condition had been at issue.

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Mongolia's isolation and the limited Western presence there make it difficult to fathom Mongolian politics, but Tsedenbal's removal may have been prompted by mounting domestic disenchantment with his rule. A new purge he launched in late 1981 had increased party infighting, and the Soviets reportedly complained earlier this year about what they regarded as needless squabbles and the waste of scarce administrative talent. The public announcement in February that former Politburo member Jalan-aajav had just been expelled from the Mongolian People's Revolutionary Party (MPRP) for his "vile intrigues against party unity" was only the latest indication of serious turmoil within the leadership. The charges against Jalan-aajav, who had been one of the country's top five leaders before he was ousted from his party posts in July 1983, included allegations that he had collaborated years ago with the "antiparty group" that was purged in 1964 for challenging Tsedenbal's pro-Soviet course.

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Even though internal political frictions were probably the most important factor in Tsedenbal's removal, other issues may have contributed:

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- The poor performance of the Mongolian economy, despite continued infusions of Soviet investment.
- Tsedenbal's slavishly pro-Soviet policies which had reportedly prompted grumbling in the governing elite about the Russification of the country.

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- Tsedenbal's stridently anti-Chinese line, evidenced by his public airing of old scores that he wanted to settle with Beijing, even after Moscow's own rhetoric softened beginning in 1982.

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The New Regime's First Step

The August plenum chose Premier Jambyn Batmonh as the MPRP's new general secretary and named party secretary Tserendashiyn Namsray to fill the seat that Tsedenbal had held on the ruling Politburo. Batmonh—who reportedly is a Tsedenbal protege—appears to be something of a technocrat, with a broad background in economic management. Namsray was added to the MPRP Secretariat only a year ago, after having headed the party bureaucracy's General Department since 1970, and is a remarkably young leader (45 years old) by current Mongolian as well as Soviet standards.

Further leadership changes were made at the regular, yearend sessions of the party's Central Committee and the Mongolian parliament. Most notably, Batmonh gave up his position as premier to assume the presidency and presumably the post of chairman of the Defense Council in a move to consolidate his authority within the constraints of a collective leadership. Dumaagiyn Sodnom—a Central Committee member since 1966 and a deputy premier since 1974 who has established a reputation as a technocrat—was added to the Politburo as a voting member and assumed Batmonh's former post as premier.

Batmonh made an obligatory bow to policy continuity in his August acceptance speech, but his emphasis on the economy suggests that he will give a higher priority to attacks on mismanagement, waste, and other obstacles to economic growth. Soviet party chief Konstantin Chernenko noted approvingly during Batmonh's visit to Moscow that the Mongolian leader had spoken about his country's economic problems "frankly" at the August plenum and had acknowledged that "no cut-and-dried solutions" exist. The Soviet leader's remarks on the subject provide additional evidence that Soviet displeasure over Mongolian mismanagement contributed to the decision to replace Tsedenbal.

Batmonh emphasized the importance of Soviet aid to the Mongolian economy in his speech at the August plenum and again during an inspection tour of fuel and energy complexes, cattle farms, and other facilities only a week or so before his departure for Moscow. Chernenko told him on 26 October that the Soviets would continue to provide "every possible assistance" to the MPR, and the Mongolian leader promised to use such aid more efficiently in the future. The issue probably was covered in detail during Batmonh's meeting that same day with Soviet Premier Nikolay Tikhonov, which reportedly focused on plans for economic cooperation between the USSR and the MPR during the next five-year plan period (1986-90). According to Soviet press accounts, Batmonh and Tikhonov also underlined the importance of drafting a new long-term program for economic, scientific, and technical cooperation between their two countries for the period up to the year 2000.

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Batmonh's initial remarks on foreign policy have predictably professed fealty to the USSR and its allies and signaled continuity on issues affecting the Sino-Soviet relationship. In his acceptance speech at the August plenum, Batmonh alluded to Beijing only in complaining about the role that "hegemonism" was playing in current international tensions. His toast at the Kremlin dinner on 26 October, however, reiterated both the MPR's desire for better relations with China and its rejection of the notion that the question of a Soviet troop withdrawal from Mongolia is a fit subject for bilateral Sino-Soviet talks. The official press release on Batmonh's discussions in Moscow, published in *Pravda* on 28 October, stated that both the USSR and the MPR favor the "normalization" of relations with China, without detriment to the interests of third countries—the standard line since the USSR and China resumed their political talks two years ago.

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The timing of Batmonh's visit to Moscow—a traditional pilgrimage for newly installed leaders of Soviet Communist allies—may have been linked to the fifth round of Sino-Soviet political talks, which had just ended in Beijing. The handling of the China issue during Batmonh's visit clearly was meant as a signal that Soviet troops in Mongolia remain a nonnegotiable matter. The Soviets and the Mongolians also may have wanted to lay to rest speculation that frictions over China policy were involved in Tsedenbal's ouster in August.

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The same message of continuity was conveyed by a Mongolian Foreign Ministry official during an unusual meeting with a visiting US diplomat on 28 September. Zhalbuugiyn Choinkhor, a member of the Ministry's Planning Department, confirmed that the MPR will continue to regard close cooperation with the USSR as the "guarantee of Mongolia's independence, sovereignty, and social progress." Choinkhor also asked about the US position on relations with the MPR, but he turned down an offer to convey any points that the Mongolian Government might want to make on that subject, insisting that he had no "message" for Washington.

Outlook and Indicators

Judging from Batmonh's background and initial public remarks, the economy will occupy the regime's immediate attention. Economic changes could play well in Moscow, which has been keeping the Mongolian economy afloat. The Soviets particularly would welcome signs of progress in livestock breeding (the nation's herd is smaller now than it was 40 years ago), in making more efficient use of Mongolia's fuel and power supplies, and in developing the extractive industries that serve the needs of the USSR's economy.

Batmonh almost certainly will be more careful about observing the constraints of collective leadership than Tsedenbal was during his last years in office. And, with the Kremlin's blessing, he might encourage a more open discussion of the MPR's domestic problems and alternative solutions. He also may attempt some tactical adjustments to alleviate complaints about the compulsory requirement for Russian-language study at the expense of Mongolia and the orientation of the Mongolian economy toward the USSR. But Moscow clearly will not allow any move to loosen Mongolia's ties to the Soviet camp. To the contrary, Batmonh's discussions in Moscow suggest that the MPR's economy will be tied even more closely to the USSR in the coming years.

The succession is unlikely to have any impact on the Soviet military presence in the MPR, even if Sino-Mongolian relations continue to improve. The Soviets regard the presence of their troops as essential to keep Mongolia firmly tied to the Soviet camp, not just to deter China. But Moscow probably will encourage Batmonh to continue expanding economic and cultural exchanges with China, in step with Sino-Soviet developments. The Soviets also might urge Batmonh to put an end to the expulsions of Chinese citizens from the MPR. The expulsions were still continuing in early October—although at a slower pace than during 1983 and in a manner suggesting that China and Mongolia may have reached some understanding on the handling of the emigres. 25X1

The Soviets could eventually conclude that a Mongolian-US dialogue would work to their advantage. As yet, however, the continuing refusal of Soviet Foreign Ministry officials to discuss Mongolia with US diplomats suggests that Moscow remains as reluctant as ever to see a US mission in Ulaanbaatar. 25X1

In any event, Moscow will be monitoring developments in Ulaanbaatar even more closely than usual in the coming months, and any significant adjustments in Mongolian policy will require the Kremlin's blessing. Mongolia will be particularly careful about following the USSR's lead on foreign policy matters, and any improvement in the atmosphere of Ulaanbaatar's relations with China will depend on developments on the Sino-Soviet front. 25X1

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